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Transmittal Letter

Application for Federal Assistance SF-424 forms

EXECUTIVE SUMMARY

The Consolidated Plan combines all of the planning and application requirements of the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnership (HOME) and the Housing Opportunities for People with AIDS (HOPWA) programs into a single application.

As a comprehensive planning document, the Consolidated Plan identifies the State's estimated five-year housing and community development needs and outlines a strategy for addressing those needs.

The Consolidated Plan, while drafted in accordance with the applicable federal regulations also complements Governor Whitman's urban revitalization and smart growth initiatives. Both of these initiatives promote comprehensive, community-based planning.

Over the next five years, New Jersey will allocate State and federal funds as well as private resources to address the housing, community and economic development needs of our residents. Priority will be given to projects that carry out neighborhood revitalization programs, create new affordable housing units, provide rental assistance to the very low and low income residents and expand services for the homeless and other special needs groups.

Please note that all of the data cited in this plan is from a US Department of HUD recommended source or from a State of New Jersey study.

Summary of Plan Development Process

The Department of Community Affairs developed this document using a participatory process. In order to obtain citizen views and input, the State established four task forces comprised of representatives from the public, private and nonprofit sectors. Each task force was responsible for reviewing pertinent legislation, statistical information, and other relevant data to determine the State's needs and formulate a preliminary action plan. The four task forces were:

- 1) *The Demographics and Housing Production Task Force* analyzed affordable housing data sources, historical trends, projected housing needs and barriers to affordable housing.
- 2) *The Homeless and Special Needs Task Force* analyzed the housing and social service needs of these two special populations.
- 3) *The Section 8 Housing Assistance Task Force* discussed the needs of the State's very low income population and assisted in the development of the State's PHA Section 8 Plan.

- 4) *The Community and Economic Development Task Force* discussed the community and economic development needs of the State and identified a strategy to meet those needs.

Structure of Consolidated Plan

The Consolidated Plan is divided into four major sections: 1) Housing and Market Analysis; 2) Housing and Homeless Needs Assessment; 3) Strategy; and 4) Action Plan/One-Year Use of Funds.

Housing and Market Analysis

The Housing and Market Analysis section provides a portrait of the State by describing the significant characteristics of New Jersey's housing market, including supply, demand, condition, and cost of housing. The four major categories under the Housing Market Analysis are:

- General characteristics – significant characteristics of New Jersey's housing markets.
- Homeless facilities - examines the housing and support service needs of the homeless population.
- Special need facilities and services - estimates the size, needs, and trends affecting New Jersey's special need groups.
- Barriers to affordable housing - discusses those factors that affect the cost and production of affordable housing such as building codes, property taxes, and land use regulations.

Housing and Homeless Needs Assessment

The Housing and Homeless Needs Assessment section discusses current needs for housing assistance by income, tenure and for different family types. It reviews the extent to which owners and renters are experiencing cost-burden and overcrowding. It also examines whether any racial or ethnic group has a greater need for any income category, family type, or tenure type, in comparison to the needs of that category as a whole.

This section discusses the needs of sheltered and unsheltered homeless, sub-populations as well as the needs of persons threatened with homelessness. It also describes populations with other special needs – other than homeless - and describes their need for supportive housing.

Strategic Plan

In this section, the State establishes priorities for assisting low-income residents to obtain affordable housing. This section is based on an analysis of the State's needs, market and housing and community development inventory described in the Housing and Market Analysis and Housing and Homeless Needs Assessment sections. In addition, this section describes the State's priority non-housing community development needs, barriers to affordable housing, lead-based paint hazards, anti-poverty strategy, institutional structure, coordination, low income housing tax credit use and public housing resident initiatives.

Goals and Action Steps

The Consolidated Plan provides a list of goals and anticipated action steps that the State will pursue over the next five years. The recommendations provided by the respective focus groups assisted the State in identifying and prioritizing the following ten priority goals.

1. Increase the number of affordable housing units built for our most vulnerable populations, (0 to 50% of median county income).
2. Assist homeless individuals and families obtain permanent housing and become self-sufficient.
3. Promote lead-based paint education and abatement efforts.
4. Support the revitalization of neighborhoods through participatory neighborhood planning efforts.
5. Encourage the development of housing, housing choice and the provision of support services for special needs populations.
6. Support community and economic development programs that expand business enterprises and increase job opportunities for low and moderate income households.
7. Continue to support sustainable development and smart growth initiatives.
8. Continue to build the capacity of the State's community-based organizations.
9. Reduce regulatory barriers to developing affordable housing.
10. Promote fair housing practices and educate the public about the benefits of and the need for affordable housing.

Action Plan/One-Year Use of Funds

This section constitutes the annual plan of the five-year Consolidated Plan. It sets forth a description of activities for the use of funds that are expected to become available during the coming federal fiscal year, determines goals for individuals and households to be served, and describes the implementation plan and geographic location of the activities to be undertaken.

CITIZEN PARTICIPATION

To ensure the adoption of a feasible strategy that presents attainable goals, the State has encouraged and will continue to encourage citizen participation in the development of its Consolidated Plan, substantial amendments to the Plan and the annual performance report.

New Jersey's 2000 Plan outlines specific goals tailored to its many unique communities. To facilitate the development of this five-year planning document and adequately reflect, to the greatest extent possible, the unique and complex housing needs of the State's varied populations, the State implemented a "Task Force" development model. Adopting a task force model allowed the State to institute a team work approach to the development of the plan, afforded interested organizations and agencies a substantive role in the development process, and provided a diversity of viewpoints and recommendations regarding the development of priorities and programs.

To address the concerns of these various communities and reflect citizen concerns, the State solicited comments from local governments, nonprofits and for-profits organizations, financial institutions, advocacy groups, affordable housing and social service providers and the general public as well. These individuals provided valuable input reflecting their knowledge of and expertise in the housing and community and economic development field.

In accordance with the federal regulations, New Jersey developed and adopted the following Citizen Participation Plan that describes the policies and procedures the State will follow to ensure adequate public participation in the planning process:

- The establishment of the following four task forces:
 1. The **Demographics and Housing Production Task Force** utilized the most recent census data available to analyze New Jersey's housing market and inventory conditions, indicating supply, demand, condition and cost of housing to provide recommendations regarding the specific housing needs of various segments of the State's population.
 2. The **Homeless and Special Needs Task Force** assisted in the development of a proposal to address the housing needs for the State's homeless and special needs populations.
 3. The **Section 8 Task Force** addressed the needs of the State's most vulnerable populations (0-30% of median county income) and assisted in the Department in developing its first Section 8 Public Housing Authority Plan.
 4. The **Community and Economic Development Task Force** provided valuable input to the Department on how the Small Cities Community Development Block Grant funds should be used to leverage other public and private money to assist non-entitlement areas of the State.

- The scheduling of three, regional public hearings:

To encourage public participation, the State will hold three public hearings on March 2, 3, and 6, 2000 at HUD-Newark, Rutgers-Camden and at the DCA building-Trenton, respectively. These hearings were advertised in the following three regional newspapers on February 25, 2000: The Bergen Record, The Trenton Times and The Atlantic City Press. Notice of the public hearings was also advertised for one month on the Division of Housing and Community Resources' web site <http://www.state.nj.us/dca/dhcr/dhcrhome.htm>.

The State's Citizen Participation Plan encourages the participation of all New Jersey residents, including minorities and non-English speaking persons, as well as persons with mobility, visual, or hearing impairments. The State selected the three locations for the public hearings because the buildings were: 1) handicapped accessible, 2) regionally located and 3) near public transportation and major highways. Spanish language translation through the Center for Hispanic Policy and Development was also available to address the needs of Spanish speaking individuals for the third public hearing held in the DCA building in Trenton.

- Thirty (30) day comment period.

Interested parties will have a period of not less than 30 days to comment on the Consolidated Plan. Any comments or views received will be put into a summary that will be attached to the final version of the Consolidated Plan. The Department will provide a substantive written response to every written complaint related to the Consolidated Plan within 15 working days, where applicable.

The State will give the public an opportunity to comment on all substantial amendments to the Plan. The State defines a substantial amendment as the following: a change in the priority goals and/or in the distribution of funds. In the case of a substantial amendment the State will post these changes on the [Division of Housing and Community Resources' web site](#) and provide citizens with a 30-day comment period. In addition, the State will provide a 30-day comment period to receive public comments on the Annual Performance Report.

To the extent possible, all citizens, public agencies, and other interested parties will be given the opportunity for reasonable and timely access to information and records relating to the Consolidated Plan and the use of assistance under the programs covered by the Plan during the five year period. Copies of the Consolidated Plan and other related materials may be obtained by writing to: New Jersey Department of Community Affairs, Division of Housing and Community Resources, 101 South Broad Street, PO 806, Trenton, New Jersey 08625-0806 or by calling 609-633-6303.

Consolidated Plan Task Forces

Figure 1 illustrates issues identified by the four task forces during their meetings from November 1999 to January 2000. As noted below, the four task forces identified both similar and unique housing and community development issues to address.

Figure 1: Issues Identified by the Task Forces

Task Force	Issues Identified by Task Forces
Community & Economic Development	<ul style="list-style-type: none"> • Provide housing for low-income • Job training should complement job creation projects • Local /regional planning needed; bring groups together • Preserve and revitalize neighborhoods; including housing • Provide affordable rental housing and rehabilitation funds • Promote more public/private partnerships <ul style="list-style-type: none"> ▽ Possible need for outside monitoring of CDBG Small Cities to ensure services are going to low income populations; asset tests ▽ Integrate CDBG with other programs; adopt holistic, "Main Street" approach to Economic Development ▽ Increase funding for planning initiatives; once "plan" is approved funding for the project would be near certain ▽ Need for professional development - building local capacity ▽ Lack of funding support at municipal level
Key: • Common Issues ▽ Unique Issues	

Task Force	Issues Identified by Task Forces
Homelessness	<ul style="list-style-type: none"> • Provide Housing for Low-Income • Provide Housing for Very Low-Income (<30% median) • Need affordable housing <i>with</i> supportive services • Recommend a State funded "Section 8 voucher" system in addition to the federally funded one • More funding for Homelessness Prevention program; broaden eligibility standards • Increased, expanded use of Temporary Rental Assistance • WorkFirst NJ works for some; but not all- need to count working poor as well as welfare and post-welfare recipients <p>▽ Emergency and transitional housing for the disabled</p> <p>▽ Shelter system is in danger of collapse because reimbursements are down; need greater operating funds; over capacity</p> <p>▽ Shelters not being used appropriately; redefine "permanent housing" - need new supportive housing model with long-term supportive housing services</p>
<p>Key: • Common Issues</p> <p>▽ Unique Issues</p>	

HOUSING AND MARKET ANALYSIS

This section will address New Jersey's housing market and inventory characteristics, including unmet need and economic factors affecting availability, condition and cost of affordable housing in the State.

The following economic statistics illustrate the economic environment in New Jersey over the last decade:

Economic Indicators/Factors

- C Median household income: During the period 1990 to 1998 the median household income grew 20% from \$40,927 to \$49,244 and the median family income increased by 24% from \$47,589 to \$59,231. The 1998 median income for all households in New Jersey was \$49,244. For female headed households it was \$33,545, for black households it was \$30,300 and for renter households it was \$27,540 (US Bureau of the Census Current Population Survey: March 1990-1999, 11/99).

As mentioned above, the State median household income in 1998 was \$49,244. This income figure is misleading since it does not address the disparities between non-family and family households and renters and homeowners. The Census Bureau's definition of "family" excludes households comprised of single persons and two or more unmarried, unrelated individuals.

- C Income/Income Inequality: Yearly incomes in the State vary widely by household type, tenure, race, and county. On the average, family households earn more than non-family households; homeowners earn more than renters do and white households earn more than minority households.

According to the 1998 census estimates, there are significant income disparities between homeowners and renters. New Jersey's homeowners (who account for 63 percent of the households) had an average income of \$64,351, in contrast to renters (who account for 37 percent of households), that had an average income of only \$27,540.

With the exception of the Asian/Pacific Islanders group, wide disparities also exist between the wealth of minority and white households. The 1998 census estimates indicate that the average income for a black household was 57 percent of that for an average white household (\$30,300 vs. \$53,273, respectively).

The Census estimates in Figure 2 show the disparities in median income among various racial and ethnic groups in New Jersey:

Figure 2: Median Income by Race and Origin

Race/Ethnicity	1990 Median Household Income	1998 Median Household Income	% Change
Asian/Pacific Islander	\$52,846	Est. Not Avail.	N/A
White	\$42,740	\$53,273	24.6%
American Indian/Eskimo	\$31,571	Est. Not Avail.	N/A
Hispanic Origin	\$30,000	Est. Not Avail.	N/A
Black	\$29,145	\$30,300	4.0%

At the county level there are also great disparities in income levels. The counties comprising the southern region have the lowest yearly incomes. In contrast, the central counties have the highest incomes.

- C Unemployment rate: The unemployment rate in New Jersey has declined from 7.9% to 4.3% since 1993. The 4.3% rate of unemployment is the lowest level of unemployment the state has experienced in 30 years.
- C New jobs: More than 375,000 new private-sector jobs have been created in New Jersey since January 1994 including higher paying jobs in fields such as communications media and pharmaceuticals. In addition, 23,000 construction jobs have been created in New Jersey since 1993 -- an average of 3,366 jobs per year. However, the New Jersey Department of Labor projects that by the year 2006, four of every ten jobs (41.6%) will be low-wage occupations, defined as jobs earning under \$25,000 per year. (New Jersey Employment and Population in the 21st Century, July 1998: Projections 2006).
- Home building: Home building has increased by an average of 7.0% per year since 1993.
- C Poverty rate: In New Jersey, the poverty rate has fallen from 10.9% in 1993 to 8.9% in 1998. Of the State's estimated 2,076,000 families, 7.1%, or 147,396 families, fell below the federal poverty level in 1998. An additional 2.2% fell within 100-124% of poverty level and an additional 2.7% fell within 125-149% of the poverty level. The remaining 88% of the population had incomes placing them 150% and above the poverty level.

Figure 3 illustrates New Jersey Cities that have consistently high unemployment and poverty rates, despite economic growth in other parts of the state.

Figure 3: New Jersey Cities with High Unemployment and Poverty Rates

Cities	Unemployment Rate	Poverty Rate
Newark	9.6%	30.5%
Atlantic City	12.4%	29.9%
Camden	12.9%	44.2%
Jersey City	9.0%	21.8%
Trenton	8.8%	20.9%
New Jersey Average	4.3%	8.9%

Source: US HUD Report Nov. 1999 "Now is the Time: Places Left Behind in the New Economy, Special Supplement, America's Northeast"; US Bureau of the Census

Figure 4: Occupational Wage Projections in New Jersey: 1996-2006

Wage Category	Percent of Total 1996	Percent of Total 2006	Annual Job Openings (Number)	Annual Job Openings (Percent)
Total High Wage (over \$45,000)	23.6%	24.6%	33,640	24.8%
Examples: General managers, top executives, nurses, teachers, accountants, computer programmers, financial managers, lawyers, physicians, engineers				
Total Moderate Wage (\$25,000-\$45,000)	34.7%	33.7%	40,000	29.4%
Examples: Legal and medical secretaries, bookkeeping clerks, truck drivers, maintenance repairers, carpenters, insurance sales workers, order clerks, preschool teachers				
Total Low Wage (under \$25,000)	41.5%	41.5%	62,250	45.8%
Examples: Retail salespersons, cashiers, janitors, cleaners, waiters & waitresses, stock clerks, nursing aides, guards, receptionists, hair dressers, bank tellers, child care workers, hairstylists				

Source: NJ Department of Labor, Division of Labor Market & Demographic Research. Data may not add due to rounding.

Crime

C Crime rate: Last year, the violent crime dropped by 11 percent and the overall crime rate

decreased in New Jersey by 7 percent. Today, crime is at its lowest level since 1974. (State of NJ; Uniform Crime Report)

- C Juvenile arrests: New Jersey's juvenile arrests have decreased 19% between 1992 and 1997, (as measured by the crime index). [FBI, Uniform Crime Report, 1992 and 1997]

Welfare-to-Work

- C Number of people on welfare: There are 190,181 fewer people on welfare in New Jersey now than there were at the beginning of 1993 -- a 54% decrease. [through 6/99]
- C Off the tax rolls: State income taxes have been eliminated altogether for 380,000 New Jersey residents earning \$7,500 or less.
- C Child support collections: Child support collections have increased by nearly \$209 million—or 56% -- in New Jersey since FY92. [through FY98]

Housing

Despite a number of positive economic indicators, New Jersey is currently the second most expensive place in the nation to rent a two-bedroom apartment (National Low Income Housing Coalition, Out of Reach Report, 1999). Between 1990 and 1999, the median sale price of a house increased from \$162,300 to approximately \$200,275.

The following statistics and facts clearly illustrate the current need for decent, affordable housing in New Jersey.

- C More than 900,000, or one third of all New Jersey Families live in homes that are excessively expensive, overcrowded or substandard (1990 Census).
- C 288,000 families, or ten percent, pay more than half their income for housing (1990 Census).
- C A family needs to earn over \$33,000 a year to afford the fair market rent of \$827 for a two-bedroom apartment. Forty-five percent of New Jersey families who rent can not afford this amount. (National Low Income Housing Coalition, Out of Reach Report, 1999).
- C A minimum wage worker in New Jersey would have to work the equivalent of three full-time jobs to afford the typical two-bedroom apartment (National Low Income Housing Coalition, Out of Reach Report, 1999).
- C At least 25,000 individuals face homelessness in any given year in New Jersey (1990 Census Data).

- It should be noted that due to the number of people currently on the waiting lists, the majority of the State's county offices are not accepting new applications.

- Families making the transition from "welfare to work" require affordable housing assistance to help them achieve self-sufficiency.

Figure 5: Median Rent/Sale Price - New Jersey

For data reporting purposes, New Jersey's 21 counties are divided into the following three geographic regions:

- ### Figure 6: Median Rent/Sale Price - Northern Region

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Median Sale:	\$ 183,038	\$218,400	19.3%
Median Rent:	\$ 540	\$829	53.5%

Figure 7: Median Rent/Sale Price - Central Region

	1990	1999	% of change
Median Sale:	\$169,200	\$221,000	30.6%
Median Rent:	\$588	\$908	54.4%

Figure 8: Median Rent/Sale Price - Southern Region

	1990	1999	% of change
Median Sale:	\$99,486	\$118,000	18.6%
Median Rent:	\$523	\$722	38.0%

Figure 9 shows that the rate of homeownership has remained fairly steady from the period 1990 to 1998, though New Jersey has in fact experienced a slight decline in homeownership while the rest of the country has seen homeownership soar to a record high of 66.3 percent.

Figure 9: Homeownership Rates 1990-1998

	1990	1991	1992	1993	1994	1995	1996	1997	1998
New Jersey	65.0	64.8	64.6	64.5	64.1	64.9	64.3	63.1	63.1
US Avg.	63.9	64.1	64.1	64.0	64.0	64.7	65.4	65.7	66.3

Source: US Bureau of the Census

- c Vacancy rates: Vacancy rates are another indicator of rehabilitation needs. In 1998, 5.9 percent of the total rental and homeownership units were vacant. Of this amount, 36 percent or 101,016 were the direct result of seasonal/recreational housing (1990 Census data). Figures 10 and 11 illustrate homeowner and rental vacancy rates for the period 1990 to 1998.

Figure 10: Homeowner Vacancy Rates 1990-1998

	1990	1991	1992	1993	1994	1995	1996	1997	1998
New Jersey	1.8	1.1	1.2	1.3	1.2	1.5	1.6	2.0	1.4
US Avg.	1.7	1.7	1.5	1.4	1.5	1.5	1.6	1.6	1.7

Source: US Bureau of the Census

Figure 11: Rental Vacancy Rates 1990-1998

	1990	1991	1992	1993	1994	1995	1996	1997	1998
New Jersey	5.9	7.7	6.9	8.2	7.1	6.6	7.7	5.5	4.5

US Avg.	7.2	7.4	7.4	7.3	7.4	7.6	7.8	7.7	7.9
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Source: US Bureau of the Census

- C Age of housing stock: More than half of the State's housing stock is classified as old since it was built before 1960. Approximately 53 percent or 1,620,689 of the housing units were built before 1960. Twenty-five percent or 756,061 of these housing units were constructed before 1940. The majority of this stock, 58 percent or 935,000 is found in the northern region. Hudson County has the oldest housing stock with 50 percent of its units built before 1942. In contrast, Ocean County has the newest housing with 50 percent of its units constructed after 1972 (1990 Census data).
- C Cost burden: Another housing need indicator is the percentage of households spending most of their income on rent (rent and utilities exceeding 30 percent of their income). Of the 938,000 renter households cited in the 1990 Census, 38 percent or approximately 359,000 spend more than 30 percent of income on rent and utilities. Fifty-nine percent or 213,000 cost burdened renters reside in the northern region, 24 percent are in the central region and 17 percent live in the southern region.

Figure 12 shows several ways of categorizing of housing affordability and illustrates the severity of this problem in New Jersey compared with other states.

Figure 12: Housing Affordability in New Jersey

Category	Percent/ Hours	State Ranking
Estimated Percent of Renters Unable to Afford 2 Bedroom FMR	45%	10 th highest percent
Estimated Percent of Federal Minimum Wage Needed to Afford 2 Bedroom FMR	309%	2 nd highest percent
Estimated Hours/Week Needed to Work at Federal Minimum Wage To Afford 2 Bedroom FMR	123	Tied for 2 nd highest percent

Source: National Low Income Housing Coalition, *Out of Reach* report, 1999.

Figure 13 illustrates the cost of renting a two-bedroom apartment in New Jersey at the Fair Market Rent for each county.

Figure 13: Cost of Renting a Two-Bedroom Apartment - By County

Metropolitan Area	Fair Market Rent - 2 Bedroom	Income Need to Afford (annual)	Hourly Wage Needed to Afford	Percent Unable to Afford
Statewide	\$827	\$33,080	\$15.90	45%
Atlantic County	\$739	\$29,560	\$14.21	49%
Bergen County	\$878	\$35,120	\$16.88	45%
Burlington County	\$722	\$28,880	\$13.88	45%
Camden County	\$722	\$28,880	\$13.88	49%
Cape May County	\$739	\$29,560	\$14.21	45%
Cumberland County	\$692	\$27,680	\$13.31	51%
Essex County	\$820	\$32,800	\$15.77	43%
Gloucester County	\$722	\$28,880	\$13.88	49%
Hudson County	\$776	\$31,040	\$14.92	43%
Hunterdon County	\$960	\$38,400	\$18.46	47%
Mercer County	\$810	\$32,400	\$15.58	45%
Middlesex County	\$960	\$38,400	\$18.46	41%
Monmouth County	\$879	\$35,160	\$16.90	58%
Morris County	\$820	\$32,800	\$15.77	44%
Ocean County	\$879	\$35,160	\$16.90	45%
Passaic County	\$878	\$35,120	\$16.88	43%
Salem County	\$722	\$28,880	\$13.88	49%
Somerset County	\$960	\$38,440	\$18.46	45%
Sussex County	\$820	\$32,800	\$15.77	45%
Union County	\$820	\$32,800	\$15.77	43%
Warren County	\$820	\$32,800	\$15.77	45%

Source: National Low Income Housing Coalition, "Rental Housing At What Cost? (New Jersey Statistics)" Out of Reach Report, 1999

- C Unit cost: As previously shown in Figure 5, both the median sale price and monthly rent have increased substantially over the last decade - 23.4 percent and 58.7 percent, respectively.
- C Over-crowded rental units: As of 1989, approximately 8 percent of the State's rental units were considered crowded (having more than one person per room). The northern region of the State has the highest percentage of crowded, rental housing units. Out of the top 30

State municipalities with the highest percentage of crowded, rental units, 15 are located in the northern region, eight are in the central region and seven are located in the southern region. The municipality having the largest percentage of crowded, rental units is Passaic City (20.3 percent)(1990 Census data).

- C Over-crowded owner units: As of 1989, approximately 2 percent of the State's owner units were considered crowded. The northern region of the State has the highest percentage of crowded, owner housing units. Of the top 30 State municipalities with the highest percentage of crowded, owner units, 17 are located in the northern region, seven are located in the southern region and six are in the central region. The municipality having the largest percentage of crowded, owner units is Victory Gardens Borough (12.8 percent)(1990 Census data).
- C Lead-based paint: The State has some of the oldest housing stock in the country. Eighty-five percent of the State's housing stock was built before 1978 and therefore may be contaminated with lead-based paint (lead-based paint was banned from use in residential structures in 1978). A detailed discussion of this topic can be found in the Lead-Based Paint section.
- C Substandard units: According to the Council on Affordable Housing there are approximately 60,280 substandard units throughout the State, occupied by families making 80 percent or less of median household income. The northern region has most of the deteriorated units with 37,664, the central region is second with 12,137 and the southern region is third with 10,479. The Council on Affordable Housing uses the following Census categories, along with the age of the unit, to identify a deficient unit: lack of public or well water; lack of public sewer, septic or cesspool service; overcrowding; and incomplete plumbing and kitchen facilities (1995 data).

Social Factors

- General population information: The State's population exhibited a modest growth during the last eight years. In 1990, there were 7,774,750 people residing in the State of New Jersey. By 1998 the State's population increased to 8,115,011 an increase of 4.4%.
- C Distribution of population: In 1990, 49.5 percent or 3,747,467 of the State's population resided in the northern region, 30 percent or 2,331,986 lived in the central region and 21 percent or 1,650,735 in the southern region. In 1998, 47.5 percent or 3,853,832 people lived in the northern region, 31.4 percent, or 2,546,386 lived in the central region, and 21.1% or 1,714,793 lived in the southern region. From this data, it appears that a small population shift is occurring from the northern region to the central region and that the central region is experiencing the fastest rate of growth.
- C Racial and ethnic characteristics of the population: The State has a very diverse racial and ethnic population.

Figure 14 illustrates the changes in population among primary racial and ethnic groups from 1990 to 1998.

Figure 14: Population by Race and Origin

Population	Revised 1990 Census	1998 Estimate	% Change Since 1990	% of State Total	Rank of % With Other States
White	6,377,702	6,452,085	1.2	79.5	37 th
Black	1,077,119	1,188,236	10.3	14.6	16 th
Asian/Pacific	277,024	452,524	63.4	5.6	4 th
Native American	15,905	22,166	39.4	0.3	38 th
Hispanic Origin (of any race)	747,737	1,004,010	34.3	12.4	9 th
Total Population	7,747,750	8,115,011	4.7	100	N/A

Source: US Census Population Estimates 1990-1998

- C Household growth: From 1990 to 1998, the number of family households (households having two or more related individuals) in the State increased by 3.7 percent or approximately 106,000. Currently, there are approximately 2.9 million households in New Jersey, 1.1 million are renters and 1.85 million are homeowners.
- C Definition of racial concentration: For this analysis, a racially concentrated area is defined as any municipality in the State whose population is at least 50 percent minority.
- C Location of degree of racial concentration: The northern region of the State has the highest percentage of minority residents. Of the top 30 state municipalities with the highest concentration of minority population, 18 are located in the northern region, eight are located in the southern region and four are in the central region. The municipality having the largest percentage of minorities is Lawnside Borough located in Camden County (98.5 percent) (1990 Census data).
- C Definition of low income concentration: For this analysis, a low income concentrated area is defined as any county in the State where at least 20 percent of its households earn incomes below 51 percent of State median family income.
- C Low income concentration: The majority of low income households, 53 percent, reside in the northern region of the State. The central region comes in second with 28 percent,

followed by the southern region with 19 percent of the very low-income households (1990 Census data).

The following 12 counties meet the definition of low-income concentration: (at least 20 percent of its households earn incomes below 51 percent of State median family income):

Atlantic (22 percent); Camden (22 percent); Cape May (25 percent); Cumberland (24 percent); Essex (32 percent); Hudson (29 percent); Mercer (22 percent); Middlesex (20 percent); Ocean (27 percent); Passaic (29 percent); Salem (26 percent); and Union (23 percent) (1990 Census data).

HOUSING AND HOMELESS NEEDS ASSESSMENT

Background

Over the past fifteen years, the New Jersey Department of Human Services and Department of Community Affairs have established, in partnership with community providers, a number of public policies to address the needs of the homeless throughout the State. These strategies included:

- Development of mandatory county planning bodies, known as the Comprehensive Emergency Assistance (CEAS) Committees;
- Planning for and coordination of a wide spectrum of services and funding streams, including the development of a "Continuum of Care" strategy; and
- Establishment of a network of emergency services and shelters, domestic violence shelters, transitional housing facilities and ancillary services.

The system is supported through a variety of federal and state funding streams which include, but are not limited to the following: HUD McKinney Homeless Assistance; Community Services Block Grant (CSBG); Community Development Block Grant (CDBG); Work First New Jersey Emergency Assistance Funds; Social Services for the Homeless (SSH) funds.

With the advent of welfare reform, local homeless planners and providers have asserted that policy changes are impacting on the emergency shelter system. In light of the concerns, the Department of Human Services (DHS) and the Department of Community Affairs (DCA) had convened two roundtable discussions regarding issues pertaining to the delivery of services to New Jersey's homeless population.

Changes in social policies from federal and state welfare reform legislation prompted the agencies to examine the current homeless service delivery system in New Jersey. Participants included representatives from community-based social service and development agencies, emergency shelters, transitional housing facilities, domestic violence programs and soup kitchens, as well as other local, state, community and government agencies.

The focus of the discussions included the following areas: current infrastructure of the homeless delivery system, the local planning process, public housing policy, needs assessment, data collection and funding issues.

General Issues regarding New Jersey's homeless delivery system included emphasis on

addressing homelessness systematically, with close attention to the following special needs populations: Homeless with substance abuse problems; mental illness; homeless youth (including those aging out of the child welfare system); and those being released from prisons. Additionally, many people are living in overcrowded housing situations and are "doubling up".

The participants had identified the need for the development of regular and standardized data collection tools to manage the assessment of homeless needs, as well as the utilization of computer technology to facilitate the collection and coordination of data. Particular attention was given to the need for the formulation and use of a common definition of homelessness.

Some of the recommendations from the participants included the following:

- The CEAS process should widen its scope of participation.
- Attention should be given to attracting and maintaining qualified staff in the emergency shelters.
- Homeless planning efforts should be expanded to include other state agencies such as Health and Senior Services, Correction, Labor, Education, Transportation and the New Jersey department of Veterans and Military Affairs.
- Attention must be given to a more coordinated transportation system and affordable housing opportunities facing more rural communities in the state.
- The State should promote performance-based funding.
- There is a need for the development of new funding arrangements, which will provide services to those who are not categorically eligible or excluded from receiving services provided through categorical funding.
- The state should adopt a mission for the homeless delivery system whereby permanent housing and self-sufficiency are the key outcomes.
- A new homeless delivery system, and its funding arrangements, should be integrated, flexible and adaptable to the changing needs.

Homeless Service Delivery System Study

As a result of the above activities, the State Departments of Human Services and Community Affairs have contracted out for a Homeless Service Delivery System Study. The purpose of the study is to examine the State of New Jersey's homeless services delivery system, with the goal of moving policy and planning efforts in the direction of a system that is responsive to the needs of all homeless families and individuals; builds upon the positive and progressive efforts

in place across the state; and recognizes the preferences of the state's taxpayers for the maintenance of a viable safety net that is also cost efficient, accountable, affordable, accessible, equitable, and effective.

Study Components

The following study components comprise the Homeless Service Delivery System Study:

- Design and Implement a Statewide System for Collecting and Reporting Client/Service Data: This will involve the development and implementation of a statewide mandatory facility census and reporting system for all emergency food and shelter providers in receipt of public funding.
- A Financial Analysis. This will be an analysis of all sources of federal, state and local public funds supporting emergency food and providers, as well as appropriate support services for homeless families and individuals in New Jersey. This will include a breakdown of revenues and expenditures statewide, by county, and by provider. In addition, a review of public assistance/emergency assistance rates will be conducted for New Jersey and a review of other states' emergency assistance rates.
- Development of an Up to Date and Accurate Inventory of Emergency Food and Shelter Providers. This will entail development and maintenance of an electronic centralized database of emergency food and shelter providers, including timely data on locations, populations served, licensed bed capacity (regular and emergency), other service data, financial data and licensing status.

In addition, the study will look to assess and make recommendations for improving, enhancing and/or revamping state organizational and contractual relationships, funding structures, and local planning for emergency food, shelter and support services to the homeless population.

It is anticipated that the results of the study will be available before the end of the year. As soon as data becomes available this Consolidated Plan will be amended including notification to the public.

Nature and Extent of Homelessness

Table 1 illustrates the estimated needs and current inventory of facilities for homeless and special needs populations and Table 2 illustrates the special needs of non-homeless populations.

Table 1: Homeless and Special Needs Populations

		Estimated Need	Current Inventory	Unmet Gap	Need/ Priority
INDIVIDUALS					
Beds / Units	Emergency Shelter	6120	1276	4844	Medium
	Transitional Housing	6285	1354	4931	Medium
	Permanent Housing	20182	6487	13695	High
	Total	32587	9117	23470	
Estimated Supportive Services Slots	Job Training	12183	5907	6275	High
	Case Management	23528	8675	14853	Medium
	Substance Abuse Treatment	18875	5424	13450	Medium
	Mental Health Care	13656	6065	7590	Medium
	Housing Placement	14113	4920	9194	High
	Life Skills Training	11054	4252	6802	Medium
	Other	14638	7012	7626	Low
Estimated Sub-populations	Chronic Substance Abusers	24456	6540	17916	High
	Seriously Mentally Ill	11396	5051	6344	Medium
	Dually - Diagnosed	13999	4329	9670	Medium
	Veterans	12756	8255	4501	Medium
	Persons with HIV/AIDS	14659	8899	5760	Medium
	Victims of Domestic Violence	3034	1327	1707	Medium
	Youth	4442	384	4058	Medium
	Other	7238	3139	4098	Low
PERSONS IN FAMILIES WITH CHILDREN					
Beds / Units	Emergency Shelter	3787	1036	2751	Medium
	Transitional Housing	5833	1270	4564	Medium
	Permanent Housing	17718	7742	9976	High
	Total	27330	10040	17290	
Estimated Supportive Services Slots	Job Training	10211	8314	1896	High
	Case Management	12966	7311	5655	Medium
	Substance Abuse Treatment	10805	5805	5000	Medium
	Mental Health Care	7170	2881	4290	Medium
	Housing Placement	10534	4953	5581	High
	Life Skills Training	7689	1840	5849	Medium
	Other	11126	4810	6316	Low
Estimated Sub-populations	Chronic Substance Abusers	16536	7373	9164	Medium
	Seriously Mentally Ill	4285	3370	915	Medium
	Dually - Diagnosed	2735	1351	1384	Medium
	Veterans	3235	2147	1088	Medium
	Persons with HIV/AIDS	13131	8846	4285	Medium
	Victims of Domestic Violence	7065	5609	1456	Medium
	Other	5078	1810	3268	Low

Note: Numbers may be off due to rounding. Data gathered in March and April 2000 from County Comprehensive Emergency Assistance System (CEAS) Committees. CEAS Committees reporting: Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Middlesex, Monmouth, and Salem (representing 63.8% of NJ residents at or below the 1998 Poverty Level). Data was estimated for the remaining counties based on their populations and their 1998 poverty rates to arrive at State totals for each category.

Table 2: Special Needs of Non-Homeless

Sub-Populations	Priority Need - High, Medium, Low, No Such Need *	Estimated Priority Units *	Estimated Dollars to Address *
Elderly			
Frail Elderly			
Severe Mental Illness			
Developmentally Disabled			
Physically Disabled			
Persons w/ Alcohol/Other Drug Addictions			
Persons w/ HIV/AIDS			
Other (Specify)			
Total			

*According to HUD's Consolidated Plan Training guidebook, Table 2: Needs of Special (Non-Homeless) Populations is an optional table at this time. Most counties in the State did not complete it for their respective jurisdictions, so Statewide data was not available for inclusion into the State's FY2000-2004 Consolidated Plan.

Special Needs Populations

Persons with Mental Illness

According to the New Jersey Department of Human Services, Division of Mental Health Services, there are approximately 164,657 adults who have serious and persistent mental illness living in New Jersey. The vast majority of these individuals lives with a family member or resides in independent households. More than 4,000 of these persons live in boarding homes and rooming house facilities, and approximately 10,521 adults with serious mental illness are homeless or are at risk of homelessness in New Jersey. The New Jersey Department of Human Services' Division of Mental Health Services currently funds approximately 2,055 residential services units in 522 group homes, family care homes and apartment programs. These residential treatment programs provide housing for less than two percent of the seriously mentally ill population. In addition, there are currently 606 persons who reside in supportive housing living arrangements.

There are currently 2,990 adults residing in state and county psychiatric hospitals. More than 700 of these persons are designated at CEPP, "Conditionally Extended Pending Placement," many of whom could be discharged to the community if there were appropriate housing options. The vast majority of persons with serious mental illness do not have homes to which they can return. An estimated forty to fifty percent of adult mental health consumers live in substandard housing and have limited access to a continuum of mental health support services. An August 1999 a NJAMI survey revealed 350 individuals living with family need alternative placements.

Consumers of mental health services are among the lowest income residents in New Jersey. Their income is usually limited to Supplemental Security Income (SSI) and often without a rental subsidy the opportunity to obtain decent housing is remote.

The majority of available housing options include transitional residential service programs, boarding homes and residential health care facilities. Access to a full range of housing options, particularly affordable permanent housing, is severely limited for persons with serious mental illness in New Jersey. There are three major barriers to access appropriate housing options. These include: low income levels of most mental health consumers coupled with a lack of affordable housing; lack of access to adequate and appropriate long-term community supportive housing services for persons to achieve independence living; and community resistance, including discriminatory housing practices towards persons with psychiatric disabilities.

Because of the episodic nature of some serious mental illness, many individuals will need lifelong support services for periods of time at various levels of intensity.

Supportive services are essential for persons with severe and persistent mental illness to achieve independent living, a job, meaningful community relationships and a home.

Through an existing agreement between the Department of Community Affairs and the Department of Human Services to provide housing and supportive services to the mentally ill population, the Department plans and coordinates services with community-based mental health centers and other support agencies in connection with Section 8 housing assistance and HOME tenant-based rental assistance.

Needs for mental health consumers include the following:

- Development of affordable permanent housing options that are linked to long term community support services. Options should include single-family homes, condominiums, apartments, townhouses, group homes and supportive housing residences.
- Development funding resources for capital acquisition and bridge financing mechanisms.
- Creation and coordination of homeownership programs and opportunities for persons with mental illness.
- Development of housing options those provide a continuum of care for individuals being discharged from state psychiatric facilities. Community resources should be linked to facilities to promote consumer choice and access to safe, decent and affordable permanent housing in the community.
- Expansion of consumer/peer and family support networks for persons in affordable housing.
- Prohibition of discriminatory zoning and regulatory restrictions in local communities.
- Site location for affordable housing for persons with mental illness which maximize opportunities for community integration and consumer choice.
- Promotion of strategies to reduce community resistance to the development of housing opportunities for persons with mental illness through community education programs.
- Expansion of Supportive Housing Services and rental subsidy programs.
- Increased Supplemental Security Income.

Persons with Developmental Disabilities

The New Jersey Department of Human Services' Division of Developmental Disabilities provides services in the least restrictive environment possible to foster individual development and independence to people with development disabilities.

All people with severe developmental disabilities must be eligible to receive needed services regardless of age, sex, creed or nature of disability. Eligibility criteria are functionally based, so not everybody with a developmental disability qualifies. The Department uses the federal definition of a developmental disability to determine that an individual is eligible for services.

A developmental disability is a mental or physical impairment that is apparent before age 22, is lifelong and substantially limits the individuals in at least three of the following areas: self-care, learning, mobility, communication, self-direction, economic self-sufficiency and ability to live independently. Examples of developmental disabilities are: Mental Retardation, Autism, Cerebral Palsy, Spina Bifida, Epilepsy, and other Neurological Impairments.

Currently, consumers of services from the Division of Developmental Disabilities, reside in the following settings:

With Own Family*	15,969
Family Care	53
Skill Development	1,732
Group Home	3,025
Supervised Apartment	910
Supported Living	471
Unsupervised Apartment	187
Boarding Home/DCA	124
Other (Nursing Home, Psychiatric Hospital, etc.)	1,488
Private Institutional Care	534
Developmental Centers (North Princeton Developmental Center closed 4/30/98)	3,545

* includes people who received "only supported work" and "only home assistance".

The Community Services Waiting List for Residential Services in the community currently total approximately 5,000 individuals. The Waiting List has grown in recent years because the number of individuals who have been determined in need of home placement has grown faster than resources for additional placements. Further, the ongoing ability to provide support needed to allow individuals with developmental disabilities to live as independently as possible is critical to community-based housing options. Access to services include personal care attendants, medical services (sometimes specialized) rehabilitation engineering, assistive devices, family counseling, transportation, independent living skills training, employment supports, day programs, case management and on-sit supportive services.

Residences in the community are provided for individuals who can no longer live with their families. They are screened, funded, licensed and maintained by the Division of

Developmental Disabilities and include the following:

- Skill Development Homes that enable a person needing ongoing supervision to live with a care provider who provides a specific training program to meet personal care, social behavior and health needs.
- Family Care Homes that provide room, board and supervision. Utilization of this type of residence is less prevalent than in previous years.
- Group Homes, which are small congregate living arrangements, shared by individuals who receive guidance and personalized training from full-time staff.
- Supervised Apartments that are monitored by staff who visit daily and often live in the complex.
- Supportive Living that places individuals in apartments without supervision on site, but offers needed services and on-call assistance.
- Independent Apartments that provide monthly monitoring and 24 hour access to emergency assistance.

The Family Support Act which has been signed into law in 1993 made the Division of Developmental Disabilities responsible for creating a system of family support that is flexible, strengthens and supports families at home, and empowers families to choose, control and monitor their services. The Family Support law also created Regional Family Support Planning Councils. The Councils make recommendations to a Family Support Coordinator, under the direction of the New Jersey Developmental Disabilities Council.

A current initiative is self-determination as a program model. Clients are provided with help from family members, friends or advocates who are support brokers with input from the customer. The additional availability of rental subsidies would promote continued diverse community options for persons with developmental disabilities in conjunction with this model.

Additional Innovative housing programs and services are needed to serve the growing population of developmentally disabled adults whose aging parents can no longer care for them at home. People in this category are among those with the most critical need for residential placement.

There is a continuing need for the expansion of family-focused intervention services for special needs populations. These services include home assistance programs, roommate matching assistance, housing counseling and brokerage services intended for those with limited cognitive abilities.

It is essential to eliminate overlapping services and to maximize resources by minimizing duplication of services among providers that represent individuals with developmental,

physical and mental disabilities, and the elderly and frail elderly populations.

Persons with Physical Disabilities

The likelihood of having a disability increases with age as indicated by the U.S. Census Bureau in its American with Disabilities: 1994-1995 report which had been based on data collected during the period from October 1994-January 1995 from the Survey of Income and Program Participation (SIPP). Several highlights from the report follow: Among the 95 million people 22 to 44 years old, 14.9 percent had a disability, and 6.4 percent had a severe disability. Within the 30.3 million people age 45 to 54, the proportion with a disability was 24.5 percent and 11.5 percent had a severe disability. Of the 20.6 million people 55 to 64 years old, 36.3 percent had a disability and 21.9 percent had a severe disability.

According to the 1990 Census, approximately half a million New Jersey residents aged 16 and over have a mobility limitation, a self-care limitation or both. Since there are varying degrees of physical disabilities, accessibility requirements differ among persons that are physically disabled. In addition, many individuals also need ancillary services to help maintain themselves in their environment. These may include home modification programs for more accessible housing, personal attendant services, and counseling. The physically disabled need more affordable community-based alternatives to nursing homes, other institutional-type facilities, and assistance to become homeowners. Additionally, since the implementation of "elderly only" housing policies people with disabilities are no longer eligible to move in certain housing developments, or are only eligible for a small set-aside of units in each project.

The New Jersey Department of Community Affairs has several programs that fund housing and home modifications for low-income people. Although not targeted exclusively to disabled individuals, the eligibility rules for many of these programs give preference to projects assisting the disabled. Some of these programs include:

- The Neighborhood Preservation Balanced Housing Program, which provides affordable housing in viable neighborhoods pursuant to the State's Fair Housing Act of 1985. The program may be used to rehabilitate substandard housing, create accessory apartments, build new housing or acquire property.
- The Section 8 Housing Choice Voucher Program administered by the Department, as well as local public housing agencies, which assist families with incomes up to 50 percent of median county income along with low-income individuals who are 62 years of age and older or are disabled.
- The HOME Tenant-based Rental Assistance Program administered by the Department assists graduates of transitional housing programs, elderly and disabled individuals and families with incomes up to 80 percent of median county income.

- The Homelessness Prevention Program, which offers housing assistance and referral services to households in imminent danger of homelessness. The program provides loans to homeowners who face mortgage foreclosures; preference is given to disabled households.

The New Jersey Department of Human Services offers a Personal Attendant Services Program that is designed to provide assistance to people with chronic disabilities. It enables individuals to maintain or seek employment as well as obtain an education while remaining independent. Priority is given to disabled individuals who are employed or preparing for employment. Administered through counties, the program has long waiting lists and usually is out of funds by the end of the budget year.

New Jersey's Medicaid program is a key provider of medical care for many low-income disabled people. The program offers various services to assist eligible individuals to live independently in the community rather than in a nursing home.

The Americans with Disabilities Act established the fixed Route Shadow Program, which provides accessible transportation that parallels existing bus routes.

People with disabilities need a variety of suitable housing options that facilitate independent, community-based living arrangements. The housing must be affordable and suit the level of care required by the disabled members of the household. Disabled people should have access to an array of community-based and in-home supportive services.

The New Jersey Division of Vocational Rehabilitation can provide funding for housing adaptation and accessibility, if vocationally related. In addition, municipalities that receive Community Development Block Grant Program funds have the ability to provide funding for housing accessibility.

Although New Jersey has a range of programs to help low-income people with disabilities find affordable, suitable and accessible housing, the demand for this housing far exceeds the supply.

The Federal Fair Housing Act prohibits discrimination against the disabled in the provision of housing. The Act requires landlords to permit disabled tenants to modify their apartments at their own expense to accommodate their needs. Unfortunately, because no funding is provided, low-income disabled tenants may be financially unable to exercise this right. Similarly, newly constructed adaptable housing relies upon the financial ability of the owner-occupant to make whatever modifications might be necessary for the disabled resident to live in the unit.

Although a portion of the disabled community can function without ancillary services, many individuals require them. Personal attendant services are extremely limited. This is one of the

greatest hindrances to an independent lifestyle. In addition, existing transportation programs for the disabled fail to reach all areas of the State, thereby limiting access to housing.

An additional concern is the household comprised of aging parents and a disabled child. As parents become too frail to care for the child, they often rely on institutional care because of the lack of home and community-based alternatives.

Consumers must be able to select specific services of their choice and it is critical that housing dollars and service dollars be available simultaneously.

People with disabilities need access to programs and information in accessible formats. Information must be available in Braille, large print, computer disk or other appropriate formats. Program locations and hours must be accessible, located near public transportation or in-home services.

Independent Living Centers

Centers for Independent Living are part of the disability rights movement, which asserts that each person, regardless of disability, shall have the same freedoms, rights and civil liberties as everyone else. In this movement and its growing network of centers and services, people come first.

Independent Living Centers are grass-root, consumer-driven organizations that are dedicated to the empowerment of all people with disabilities. While ILCs deliver different services, such as linking people with subsidized housing, their main purpose is to advocate for persons with disabilities for a more inclusive community.

New Jersey has twelve Independent Living Centers. The development of independent living services and the independent living network are guided by the New Jersey Statewide Independent Living Council (SILC), along with the Division of Vocational Rehabilitation Services and the Commission for the Blind and Visually Impaired. The SILC establishes Statewide Independent Living Policies and provides a forum for issues concerning all persons with disabilities.

All CILS must provide four core services:

Information and Referral Services may include accessible housing, transportation, personal attendants, employment opportunities, resources for legal services, disability legislation, and linkages to other social service agencies. Persons needing to access mobility equipment vendors, interpreters for the deaf, readers for the blind and personal assistant programs may obtain assistance from CILs.

Advocacy: Centers provide assistance in obtaining legal and economic benefits and linkages to and with other agencies.

Peer Support: Through the CILs, persons with disabilities may work with other people who have disabilities and who are living independently in the community, and who have overcome similar obstacles.

Independent Living Skills Instruction: Centers provide direct skills training in one-to-one or group settings. Consumers are referred to training programs to gain skills that will help them to live more independently.

Each CIL is unique and offers programs based on the expressed needs of its population. Although Independent Living Centers are not directly involved in the development or management of affordable housing, their indirect connection to affordable housing needs to be noted in any strategy. In terms of direct services, many of the ILCs have worked tirelessly to ensure that all types of affordable housing options are physically and programmatically accessible.

According to advocates for the physically disabled when planning for the housing needs of people with disabilities, there must be a general recognition that specific disability groups or types have special requirements for housing. These needs are referred to in general terms such as accessibility, support services or other catch-all terms. The general term "accessibility," however, means ramps and wide doors to a person in a wheelchair while it means braille/raised signing to a person who is blind. Supportive services have different meanings along the spectrum of disability. These services range from home health aides and personal assistants to people who provide supervision and emergency intervention. Supportive housing services must be viewed as a vital link to affordable housing.

A person with a physical disability who also has a mental health issue may need a combination of support services plus an accessible place to live. The individual's housing needs must be addressed in a cross-disability manner, and the agencies involved must be ready to respond. Our systems must continue to be flexible and responsive/

Housing needs of physically disabled individuals are broad and diverse. Community-based, integrated living arrangements for individuals with disabilities provide expanded options and alternatives to more restrictive settings. The integration of housing and effective supportive services is essential to the ultimate goal of independent living and economic independence.

Elderly Persons

By 2005 there will be approximately 1.4 million people in New Jersey between the ages of 60 - 84 years; approximately 171,700 will reach age 85 and older. The number of older Americans has increased by more than 9 percent since 1990. The U.S. Census Bureau estimates that 20 percent of Americans will be older than retirement age in 2030, compared with less than 13 percent today.

The population age 65 years and over includes 24.5 million people age 65 to 79, and 6.8

million age 80 and above. The disability rate among those 65 years and over was 47.3 percent, while the rate among those ages 80 and above was 71.5 percent. The proportion with a severe disability was 27.8 percent for the first group, and 53.5 percent for the second.

Many seniors have decided to age in place, rather than to move. However, as they age their housing must meet their needs in addition to appropriate services that can ensure a quality of life. Community-based services are critically needed for seniors both in rental housing and for those who live in their own homes.

Subsidized congregate housing units and assisted living residences are currently popular types of senior housing in the state. Subsidized senior housing have long waiting lists. Additional Section 8 Housing Vouchers are needed to help seniors who are low income to meet the costs of rental housing.

The development of affordable assisted living residences is needed for the elderly population. There are three types of Assisted Living settings:

1. Comprehensive Personal Care Home (CPCH). A CPCH is a residential facility licensed by the Department of Health and Senior Services to provide room and board and to assure that assisted living services are available when needed. Residential units in CPCHs are typically shared occupancy but have no more than two residents.
2. Assisted Living Residence (ALR) An ALR is a residential facility licensed by the Department of Health and Senior Services to provide apartment-style living and congregate dining and to assure that assisted living services are available when needed. Units are single or double occupancy.
3. Alternate Family Care (AFC). A service provided under contractual arrangement whereby no more than three persons receive room and board, personal care and other health services in the home of an unrelated individual who has been approved by a sponsor agency and trained to provide the necessary care giving. This service is individualized to meet the client's physical and psycho-social needs and to encourage the right to independence, choice and decision-making within a safe, family-like home environment.

The Assisted Living and Alternate Family Care Waiver helps eligible individuals "age-in-place" rather than be cared for in a nursing facility. The New Jersey Department of Health and Senior Services must license Medicaid providers of the Assisted Living and Alternative Family Care Waiver.

NJ EASE (New Jersey Easy Access, Single Entry) is a New Jersey Department of Health and Senior Services initiative, in partnership with county governments to provide an easy way for senior citizens and their families to learn about and obtain needed services.

The goal of NJ EASE is to create a consumer-focused statewide system that aids access to

services for seniors and promotes informed personal choice, dignity and the use of high quality and cost-effective services. One toll-free telephone number assists seniors and their family members to learn about and access important services that address financial, medical and social needs.

NJEASE information is also available on housing and long-term care options, including alternate family care, adult day care, assisted living facilities, nursing homes, respite care, residential health care facilities, subsidized housing and retirement communities.

Congregate Housing Services Program (CHSP). The Congregate Housing Services Program provides selected supportive services to low-income frail elderly persons residing in subsidized housing facilities. The services offered include: Meals provided in a group setting, housekeeping, personal assistance and case management. Service subsidies (comparable to rent subsidies) are available to assist tenants in certain income categories in meeting the full cost of the program. The program combines shelter and services to help those elderly who need some assistance as they age in place and thus avoid premature and/or unnecessary institutionalization.

Housing Opportunities for Persons with AIDS

The New Jersey Department of Health and Senior Services, Division on AIDS receives formula based funds for persons with HIV/AIDS under the United States Department of Housing and Urban Development's Housing Opportunities for Persons With AIDS (HOPWA) program.

As of March 31, 2000, 39,930 cases of AIDS were reported in the State of New Jersey. The reported number of cases by county during this period is as follows:

Atlantic (1,326); Bergen (1,750); Burlington (542); Camden (1319); Cape May (201); Cumberland (396); Essex (11,964); Gloucester (279); Hudson (6,093); Hunterdon (132); Mercer (1080); Middlesex (2,277); Monmouth (1,932); Morris (740); Ocean (706); Passaic (3,383); Salem (143); Somerset (499); Sussex (119); Union (3,004); and Warren (92).

Supportive services will be provided and/or coordinated through local HIV consortia and/or AIDS service organizations. All eligible HOPWA tenants will receive HIV/AIDS case management for medical, social and housing services.

The HOPWA tenant-based rental assistance program administered by the New Jersey Department of Community Affairs as the "Project Sponsor" will continue to assist households with HIV/AIDS and their families who primarily live outside of the Newark and Jersey City EMAs. Based upon need, local HIV consortia will continue to prioritize eligible applications for HOPWA assistance to the Department of Community Affairs' (DCA) central office.

According to the Department of Health, more than 3,000 persons with AIDS are currently in need of housing services. It is further estimated that 15 to 25 percent of this number are or will

be in need of housing services within their lifetime. These figures do not include more than 1,929 persons with AIDS who were diagnosed while incarcerated and subsequently may need housing upon their release.

As the number of persons diagnosed with AIDS increases for whom adequate housing is urgently needed in order to prevent homelessness, the maintenance of a coordinated rental assistance program enables the individuals and their families to continue residing in their own units; this alleviates the stress of relocation. The local AIDS consortia and/or AIDS service organizations ensure that area residents with HIV/AIDS receive case management for daily living, medical, transportation and other support services.

The New Jersey Department of Community Affairs is also the "Project Sponsor" for the Middlesex/Somerset/Hunterdon EMA. The Department of Community Affairs administers the HOPWA funds for the Grantee--Woodbridge Township--by providing tenant-based rental assistance.

The provision of HIV/AIDS supportive services is required in order to obtain HOPWA housing assistance. Local HIV consortia and/or AIDS service organizations work closely with the New Jersey Departments of Health and Senior Services and Community Affairs in order to obtain the cooperation and support of local officials, community leaders and neighborhood groups in ameliorating negative attitudes and discrimination that often hinders the development of supportive service alternatives for persons with HIV/AIDS. The local HIV consortia and/or AIDS service organizations function as the primary referral and/or resource center for the medical, social and housing needs of persons with HIV/AIDS.

The New Jersey Department of Health and Senior Services has continually maintained support from local HIV consortia and AIDS service organizations. These organizations have ensured the Departments of Health and Senior Services and Community Affairs that that they will continue to provide HIV support services for HOPWA eligible participants. The two Departments have regularly scheduled meetings with the HIV consortia and AIDS service organizations on a quarterly basis in order to monitor HOPWA housing assistance and supportive services, and to resolve any needs and/or issues that may arise.

The provision of services includes, but is not limited to the following:

- Primary health care services: Therapeutic and diagnostic services provided by physicians, nurses and ancillary medical practitioners; dental; optical; lab tests; physical therapy; hearing impaired; and women's medical services.
- Support and advocacy services: Case Management; meals for the homebound; spiritual retreat; legal advocacy and transportation.
- Mental Health and related services: Psychiatric and psychological counseling and treatment are provided to consumers and their families, in addition to direct and concrete services from nurse practitioners, social workers, and counselors.

- Substance abuse services: Treatment and counseling services, groups and peer support.
- Respite care services: Provides respite for children and caregivers.
- Health Management: Professional services to maintain an elevated level of well-being; nutritional therapy.
- Day care services.
- Outreach services for women.

Providers have described various unmet needs for individuals with HIV/AIDS as follows:

- Development of alternative housing options.
- Lack of affordable housing when rental subsidies are unavailable.
- Interim housing with in-house services for clients with multiple needs, for example, substance abusers, ex-offenders, mental health issues.
- There is a need for enhanced communication systems among providers. Coordination of services must be jointly planned to maximize resources and reduce the duplication of efforts.
- Enhanced supportive services for dependent children of persons with HIV/AIDS.

Inventory of Facilities and Services

Emergency Shelters

The emergency shelter system temporarily provides residents with the most basic of human needs, food and shelter. For many of the residents the shelter experience will be a one time occurrence, but for some it occurs more than once in their lifetime. Although case management services, and various social services are provided to shelter residents, a comprehensive support system that includes services such as medical and job counseling is needed on site to help eliminate multiple return stays. The State currently has over 100 Emergency Shelters that house over 3,300 individuals.

Transitional Housing

The State currently has approximately 30 transitional projects operating. These projects

assist single parent families, mentally ill, adolescents, single male and females, developmentally disabled, mentally ill chemical abusers, veterans, juveniles (16-18 years old) and victims of domestic violence.

Permanent Housing for the Handicapped Homeless

The State currently has over 155 permanent housing units for the handicapped homeless. These units assist individuals with disabilities to maximize their potential for independence through the provision of community-based, long-term housing and supportive services.

Additional Services

Through out the State, there are soup kitchens, congregate food sites and food pantries where individuals volunteer their time in exchange for food at a minimum cost. In addition, county welfare agencies often provide either directly or through referrals, food and clothing allowances, security and utility deposits, first month's rent, moving costs, emergency and school transportation costs and emergency shelter placement to TANF families. Municipal welfare departments provide financial assistance, emergency shelter, shelter and support services to individuals receiving General Assistance grants.

The State also provides an array of services through the following programs:

Transitional Housing Program: Assists families and individuals overcome the problems/conditions causing their homelessness by providing temporary housing combined with supportive services. The objective of the program is to increase the participant's job skills and income thus, enabling the individual to obtain and remain in permanent housing.

Permanent Housing for Homeless Persons with Disabilities: assists individuals with disabilities to maximize their potential for independence through the provision of community-based, long-term housing and supportive services. Funds under this program can be used for acquisition, rehabilitation and new construction under limited circumstances, leasing of structures, operating costs and supportive services.

Supplemental Assistance for Facilities to Assist the Homeless (SAFAH): provides grants for innovative homeless programs that demonstrate the goal of self-sufficiency for recipients . Activities include housing and supportive services.

Emergency Shelter Grants Program: State and federal Emergency Shelter funds to assist municipalities increase the number of available shelter beds and transitional housing units through acquisition, construction, conversion, or rehabilitation. In addition, the funds will be used to correct health and safety problems in existing facilities.

Shelter Plus Care Program: in connection with supportive services funded from other sources, provides project-based rental assistance for hard-to-serve homeless persons with disabilities which include severe mental illness, chronic problems with alcohol, drugs, or both; or living with AIDS or related diseases.

Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program: provides project-based rental assistance to homeless individuals in conjunction with the rehabilitation of SRO dwelling units. Funding for the for the rehabilitation aspect of the program must come from other sources.

Homelessness Prevention Program (HPP): The State funded Homelessness Prevention Program is designed to prevent evictions, lock-outs and mortgage foreclosures which threaten households experiencing a temporary financial or personal crisis. Short term assistance is provided for rent and mortgage arrearage. The program also provides budget counseling, landlord outreach and negotiation of leases, fair housing advocacy, referral and coordination of support services. The program staff includes HUD-certified housing counselors who have extensive experience assisting tenants with multiple problems.

STRATEGY

Strategic Plan

This section of the Consolidated Plan describes the State's housing and community development goals for the next five years (2000-2004) and identifies the resources that New Jersey will use to meet those goals. As part of this strategy, the State has identified the following principles to serve as the framework for implementing a comprehensive strategic plan:

- C All residents of New Jersey should have access to decent, affordable housing in a safe living environment.
- C Housing programs must be integrated closely with other programs that address the needs of lower income residents and their communities, such as economic development, crime prevention, human services, job training, recreation and education programs.
- C Local residents and community-based organizations should be involved in developing and implementing comprehensive plans designed to revitalize their neighborhoods.
- C Long-term affordability controls must be maintained on housing units developed with public funds to maximize the benefit of the public investment and ensure affordability for current and future low income households.
- C Housing programs and strategies must work to reduce and eliminate racial and economic segregation/low income concentration and, wherever possible incorporate measures that will undo the negative effects of past practices.

The State's Strategy consists of ten goals that address the major housing and community development needs identified in the needs assessment section. The strategy also describes specific activities that the State will undertake to implement the priority goals including a listing of existing State and federal resources and programs dedicated to housing and community development.

Figure 15: Estimated Needs, Goals and Projections for FY 2000-2004

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over Five Years
Decent, Safe, and Affordable Housing	Goal #1: Increase the number of affordable housing units built for our most vulnerable populations, (0 to 50% of median county income), and continue to provide housing opportunities for people of moderate incomes.	<p>Provide funding to projects that create additional, affordable, rental housing.</p> <p>Provide funding to projects that create affordable, for-sale housing.</p> <p>Fund affordable mortgages for first-time homebuyers.</p>	<p>12, 650 Multi-family units created/ year</p> <p>70% of units created and occupied by very low and low income households.</p> <p>30% moderate income (51 to 80% of median)</p> <p>12,950 Single family for-sale units created/ year.</p>	06/30/04	<p>HOME Production.: \$8,500,000</p> <p>CHDO Production: \$5,000,000</p> <p>Balanced Hsg: \$75,000,000</p> <p>Tax Credits: \$50,000,000</p> <p>Permanent Hsg. For Low-Income: \$20,000,000</p> <p>Multi-family Rental Hsg (HMFA): \$25,000,000</p> <p>Too Good, But Its True (HMFA): \$10,000,000 (FY2000 only)</p> <p>Dream Come True (HMFA): \$140,000,000 (FY2000 only)</p> <p>UHORP (HMFA): \$20,000,000</p>

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over Five Years
		Abate code violations and improve the aesthetic quality of neighborhoods	1,300 homes to be rehabbed 125 neighborhoods cleaned up / year.	06/30/04	Neighborhood Preservation: \$15,000,000 HOME NPP: \$5,000,000 HOME Rental Rehab: \$1,250,000 Urban Site Acquisition Revolving Loan (NJRA): \$25,000,000 Unsafe Buildings Demolition: \$20,000,000
Decent, Safe, and Affordable Housing	Goal #2: Assist homeless individuals and families in obtaining permanent housing and becoming self-sufficient.	Create a continuum of care to address the economic and social problems of the homeless population.	10,800 homeless individuals/ families assisted per year (homeless prevention). 16,000 assisted with vouchers/ year and 460 assisted with HOME TBA/year	06/30/04	Family Self Sufficiency: \$227,500 Section 8 Vouchers: \$ 525,000,000 Work First NJ: \$6,000,000 Homeless Prevention: \$15,000,000 ESG /Shelter Support: \$20,000,000 HOME TenantBased Asst: \$11,500,000
Decent, Safe, and Affordable Housing	Goal #3: Promote lead-based paint education and abatement efforts. .	Implement a campaign to warn residents about the dangers of lead paint chips and dust in their home.	Statewide education effort 130 units abated	06/30/00 through 06/30/04	Lead-Based Paint: \$9,000,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over Five Years
Non-Housing Community Development Needs	Goal #4: Support the revitalization of neighborhoods through participatory neighborhood planning efforts.	Continue to promote neighborhood planning efforts through the SNAP, UCC and NPP programs and by giving priority in other programs for projects that are part of a neighborhood plan.	30 neighborhood plans developed / year	06/30/04	Strategic Neighborhood Assistance Program (SNAP): TBA Urban Coordinating Council (UCC): TBA Neighborhood Preservation Program (NPP): \$14,000,000
Homelessness and Special Needs	Goal #5: Encourage the development of housing, housing choice, and the provision of support services for special needs populations.	Use State and federal funds to improve the quality of life for our special needs populations.	2,210 special needs families assisted / year	06/30/04	HOPWA: \$5,000,000 Shelter Plus Care: \$5,000,000 HOPE for the Elderly: \$5,000,000 Development Disabilities Homeownership (HMFA): TBA Services for Independent Living (HMFA): TBA Scattered Site AIDS Permanent Hsg. (HMFA): \$ 750,000 (Year 2000) Transitional Housing Revolving Loan (HMFA): \$ 1,500,000 (FY 2000 only)

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over Five Years
Non-Housing Community Development Needs	Goal #6: Support community and economic development programs that expand business enterprises and increase job opportunities for low and moderate income households.	Promote economic growth and development through out the State. Expand the number of businesses. Encourage communities to work with NJ Transit to increase public transportation opportunities in urban areas.	44 municipalities assisted per year 400 businesses created / year	06/30/04	CDBG: \$60,000,000 Special Improvement Districts (SIDS): \$500,000 Main Street: TBA Smart Growth Planning Grants: \$3,000,000 (FY 2000) Section 108 (EDA): \$ 198,000,000 Upstairs/Downtown (HMFA) (FY2000): \$10,000,000
Non-Housing Community Development Needs	Goal #7: Continue to support sustainable development and smart growth initiatives.	Establish a Green Office to provide TA to interested developers. Provide funding to eligible projects.	9 developers assisted (FY2000). 9 projects to be completed (FY2000).	06/30/04	Sustainable Development Affordable Hsg.: \$ 200,000 (FY 1999) Brownfields: TBA
Decent, Safe, and Affordable Housing	Goal #8: Continue to build the capacity of the State's community-based organizations.	Provide training, technical assistance & program funding to nonprofit organizations.	87 groups assisted per year	06/30/04	Office of Housing Advocacy (OHA): \$11,250,000 CHDO Operating: \$1,625,000 Faith-Based Community Development Initiative: \$25,000,000 CSBG \$60,000,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over Five Years
Decent, Safe, and Affordable Housing	Goal #9: Reduce regulatory barriers to developing affordable housing.	Continue to work with other State and local governments to alleviate delays caused by regulatory barriers.	Provide technical assistance to 100 developers of affordable housing.	06/30/04	Not Applicable
Decent, Safe, and Affordable Housing	Goal #10: Promote fair housing practices and educate the public about the benefits of and the need for affordable housing.	Utilize the Division's web site to promote affordable housing.	Web site developed and fair housing info posted and updated regularly. Fair housing articles in the Advocate newsletter	06/01/00	Not Applicable

Compendium of Programs to Support Goals

Housing Assistance Element Programs:

Family Self-Sufficiency assists families in becoming self-sufficient and self-reliant through the implementation of a jointly developed action plan. Using the same guidelines as the Section 8 Certificate and Housing Voucher Programs, rental assistance is provided to families who agree to participate in a series of job training, career counseling, education and social service programs. In connection with this program, assistance also is provided by the Department of Human Services. Assistance provided to: Very low-income households. Families must meet income and assistance requirement of program.

Homelessness Prevention provides for limited financial assistance to low- and moderate-income tenants and homeowners who are in imminent danger of eviction or foreclosure due to temporary financial problems beyond their control [Public Law 1984, c. 180]. Assistance provided to: Low and moderate income tenants and homeowners.

HOME Tenant-Based Rental Assistance provides tenant-based rental assistance to families with special needs and in some cases, to eligible, in-place residents of a rental project being rehabilitated under the HOME Program. Assistance provided to: Households who have graduated from Transitional Housing programs that meet the Division of Housing and Community Resources' guidelines for such programs, and households, where the head of household is elderly or disabled. NOTE: This program uses the current waiting lists.

Housing Voucher - The housing agency calculates the amount of assistance each family receives. Assistance is based on family size and income. A family is expected to pay the difference between 30 percent of its adjusted income and the Rent Payment Standard for the area. Provides housing assistance on behalf of eligible low income families, and disabled and elderly renters by subsidizing a portion of each tenant's monthly rent and paying it directly to the property owner. Assistance provided to: Very low income households are eligible. The element selects families that meet the income and eligibility requirements.

Regional Opportunity Counseling (ROC) promotes regional strategies for helping Section 8 Certificate and Housing Voucher recipients to choose neighborhoods that offer the best housing, education and employment opportunities. Assistance provided to: New and existing Section 8 assisted families who want to move will receive counseling and housing search assistance. Outreach is conducted by the program to current participants in the Section 8 Housing Program.

Section 8 Existing Housing assists in making decent, safe and sanitary housing in the private rental market affordable to very low-income families by reducing housing costs through direct rent subsidy payments to their landlords.

Kinds of Assistance: Based on the premise that housing costs (rents and utilities) should not exceed 30 percent of a family's income, the program provides annual funds for rental

subsidies to a limited number of very low-income applicants. A special emphasis is placed on assisting the handicapped in their efforts to live independently in the community.

Other Information: The statewide program is available to residents of all New Jersey counties. Additional Section 8 Existing Housing programs are administered throughout the state by a number of municipal and county authorities. Assistance provided to: Very low-income families, or single individuals who are over 62 years of age, or disabled.

Transitional Housing provides assistance to chronically homeless families living in transitional apartments. Assistance provided to: Nonprofits and transitional services are provided to homeless families.

WFNJ (Work First New Jersey) Housing Assistance provides time-limited rental subsidies to working families who are exiting welfare to begin unsubsidized employment. Subsidies not to exceed three years.

Kinds of Assistance: The housing agency calculates the amount of assistance each family receives. Participants pay a percentage of their monthly income toward their rent, based on the following schedule: Year One – 45 percent, Year Two—55 percent, and Year-Three—65 percent. Assistance provided to: Very low-income households are eligible. Families who are leaving Temporary Assistance for Needy Families (TANF) are selected by the county agencies for referrals to the Department of Community Affairs.

Housing Production and Community Development Element Programs:

Adopt-A-Neighborhood provides for direct technical assistance to private project sponsors and local private/non-state entities to identify and implement project associated with neighborhood community projects. Assistance provided to: Municipalities/nonprofit /private sponsors.

Balanced Housing Neighborhood Preservation furthers the Mount Laurel Doctrine by creating housing opportunities in viable neighborhoods for households of low and moderate income. Assistance provided to: municipalities that fall into one of the following categories: the municipality has received substantive certification from the council on Affordable Housing; the municipality has entered into a judicially-approved compliance agreement to settle its fair share housing obligation; the municipality is subject to a court-ordered builder's remedy; the municipality has been designated as a receiving municipality under a regional contribution agreement and the project plan has been approved by the Council on Affordable Housing; or the municipality has, at any time since FY '88, been eligible to receive state aid pursuant to Public Law 1978, c. 14 [N.J.S.A. 52:27D-178 et seq.].

Creating Permanent Housing for Low Income, Working Households - The Department of Community Affairs (DCA) and the Department of Human Services (DHS) are cooperating to create new permanent affordable housing for very low income households. The goal is to provide up to 40 families moving from welfare to work with affordable housing. The total subsidy available under this program is \$4 million. DCA's Division of Housing and Community Resources will administer the proposal in a manner similar to DCA's Balanced Housing

Program, which has subsidized the production of affordable housing since 1985. Targeted areas: Essex, Burlington, Mercer, Middlesex and Monmouth Counties.

HOME – Housing Production Investment Fund provides non-interest bearing, interest bearing and deferred loans, and grants to for-profit and not-for-profit developers for the purpose of creating affordable housing throughout the State. The State will target HOME funds to the following: applications to the Balanced Housing Program which are feasible, but for which state funds are not available; applications from developers in municipalities in which there is a demonstrated need for affordable housing, but which are not eligible for Balanced Housing funds; and areas where there is demonstrated need for affordable housing and other sources of federal funds such as HOME and CDBG are not available from the local jurisdiction.

HOME – Neighborhood Preservation provides financial assistance to property owners for the rehabilitation of substandard housing units. Assistance provided to: Municipalities chosen to participate in the Neighborhood Preservation Program.

HOME – Rental Rehabilitation provides payment loans to property owners (including nonprofits), for the rehabilitation of substandard rental housing units. Assistance provided to: Rental property owners to develop housing for low-income households.

Lead-Based Paint Abatement in Low and Moderate Income Housing provides deferred-payment loans and grants through local governmental entities and to property owners (including but not limited to nonprofits and low-income owner occupants), for controlling and abating lead-based paint hazards in conjunction with rehabilitation substandard housing units.

Assistance provided to: Rental property owners and low-income owner occupants to develop lead safe housing for low-income households.

Main Street New Jersey is a nationally recognized professional downtown revitalization program providing business communities with the skills and knowledge to manage their own center business districts, improving the economy, appearance and image of their traditional downtown, through the organization of business persons, local citizens and resources. Assistance provided to: Downtown business organizations.

Neighborhood Preservation provides for direct financial and technical assistance to municipalities to conduct activities associated with the preservation of designated neighborhoods based on strategic revitalization plans within those municipalities. Assistance provided to: Municipalities.

Relocation Support provides financial assistance to municipalities and welfare boards for relocation assistance to families and individuals displaced by municipal code enforcement. Eligible expenses are moving costs, dislocation allowance, and rental/down payment

Section 8 Single Room Occupancy – Moderate Rehabilitation assists in rehabilitating privately-owned, substandard single-room occupancy rental units to provide housing for homeless, very low-income individuals who are eligible for Section 8 rental assistance. Assistance provided to: Owners of substandard rental properties that require rehabilitation costing at least \$3,000 per unit to bring them up to standard condition and eligibility for rent

subsidy.

Shelter Support - renovates and improve existing homeless shelters and transitional housing, construct new homeless shelters and transitional housing, pay certain social services and operating costs. Assistance provided to: Local governmental units and nonprofit organizations.

Small Cities Community Development Block Grant- funds economic development, housing rehabilitation, community revitalization and public facilities designed to principally benefit people of low- and moderate-income or to address local needs of recent origin for which no other source of funding is available. Assistance provided to: Non-entitlement municipalities and counties (list available on request).

Special (Business) Improvement Districts (SIDs) supports economic and community development and management for New Jersey's downtown and business centers providing advocacy, supporting conferences and training, technical assistance and to be a clearinghouse for research and information on the New Jersey Special Improvement Statute, Business Improvement Districts and business district management. Assistance provided to: Municipalities, not-for-profit organizations and business associations.

Special (Business) Improvement District Loans_provides loans to make capital improvements within designated downtown business improvement zones. Assistance provided to: Municipalities and SID management organizations.

Special (Business) Improvement District Challenge Grants provides dollar-for-dollar matching grants up to \$10,000 from DCA to support the technical and professional services needed to establish a SID. Assistance provided to: Municipalities.

Weatherization Assistance – Low-Income Home Energy Assistance assists elderly, handicapped and low-income persons in weatherizing their homes, improving heating system efficiency, conserving energy and emergency heating assistance. Assistance Provided To: Low-income occupants, community agencies assisting low-income occupied dwelling units.

Home Energy Assistance_assists very low-income persons with their heating and cooling bills and make provisions for emergency heating systems services and emergency fuel assistance within the Home Energy Assistance Program.

Housing and Community Support Element Programs:

Affordable Housing Training Institute (AHTI) collaborates with nonprofit housing associations to develop and fund workshops for member organizations and other interested parties. AHTI also sponsors its own workshops and training programs. All workshops and training programs are designed to increase the expertise in a variety of areas dealing with affordable housing and management of the staff of nonprofit housing developers, for-profit developers, special needs housing and service organizations, and municipalities.

Other Information: Eligible workshop/training attendees are sponsoring association members, nonprofit housing developers, special needs housing and service organizations, and

municipalities involved in housing development.

Housing Affordability Service (HAS) assists municipalities with the occupancy and long-term control of sales and rental housing designated as affordable housing through the Fair Housing Act as a result of Mount Laurel court rulings. HAS provides technical and direct services to municipalities and low- and moderate-income households with occupancy, re-occupancy and long-term affordability controls.

Other Information: The program maintains a statewide referral list of households who are potentially eligible for affordable housing units and can be selected for interviews through computer analysis. Pricing schedules and marketing analysis reports are also available. The program retains permanent records and growing inventory of over 10,000 units of affordable housing, and produces statistical reports for municipalities and for academic studies.

Community Food and Nutrition provides for coordination and planning of services to alleviate hunger and malnutrition in New Jersey. Assistance provided to: Statewide public or private nonprofit agencies.

Community Housing Development Organizations (CHDO) Operating Fund provides pre-development/seed money loans to nonprofit organizations certified by the state as Community Housing Development Organizations (CHDOs) actively involved with the development of affordable housing. Loans may only be used for project specific costs. Assistance provided to: Nonprofit organizations certified as state CHDOs.

Community Services Block Grant provides for the provision of health, education, employment, housing, etc., services to low-income population of New Jersey. Assistance provided to: Public and private nonprofit agencies. NOTE: Ninety percent of annual allocation must go to designated community action agencies.

Faith-Based Community Development Initiative provides training, technical assistance information and program support to faith-based community development corporations to deliver services to the residents of their service areas. Assistance provided to: Faith-based nonprofit community development corporations (direct funding) and houses of worship (training, technical assistance and information).

HOME-Community Housing Development Organizations (CHDO) Operating Grants provides operating support for nonprofit organizations certified by the state as Community Housing Development Organizations (CHDOs) actively involved with the development of affordable housing. Assistance provided to: Nonprofit organizations certified as state CHDOs.

Housing Scholars provides nonprofit organizations actively involved with the development of affordable housing with a full-time summer intern from either an undergraduate or graduate program at one of five New Jersey colleges and universities. Assistance provided to: Nonprofit organizations.

Partnership Awards provides grants to nonprofit organizations actively involved with the development of affordable housing in partnership with either a for-profit or nonprofit entity.

Assistance provided to: Nonprofit organizations.

Performance Grants to Nonprofits provides operating support for nonprofit organizations actively involved with the development of affordable housing. Continuation grants are based on grantee agencies; performance. Assistance provided to: Nonprofit organizations.

Pre-Development Loan Partnership provides pre-development/seed money loans to nonprofit organizations actively involved with the development of affordable housing. Loans may only be used for project specific costs. Assistance provided to: Nonprofit organizations.

Office of Recreation promotes and encourages the development and expansion of recreational facilities, sites, programs and opportunities for all New Jersey residents. Limited financial assistance is available to meet the recreational needs of persons with disabilities.

Athletics for Individuals with Disabilities increases the availability of athletic events for individuals with disabilities by assisting and encouraging statewide nonprofit organizations in sponsoring sports training and athletic competition for individuals with disabilities.

Assistance provided to: Statewide nonprofit athletic organizations which includes New Jersey Special Olympics, New Jersey Tournament of Champions, Association of Blind Athletics of New Jersey, and Wheelchair Sports Council of New Jersey.

Community Recreation for Individuals with Disabilities provides in-service training and education to community and state agency personnel to develop, implement or improve recreation services for individuals with disabilities. Assistance provided to: Any county, municipality, school district or private, voluntary or commercial agency or any individual.

Recreation Opportunities for Individuals with Disabilities provides for funding assistance to local units of government for both short-term special events and continuous recreational services for individuals with disabilities. Assistance provided to: Municipalities and counties.

Recreation and Park Departments Assistance assists community recreation and park departments with the initiation, development, administration and management of recreation sites, resources and programming. Staff monitors and assesses the impact of proposed revisions to the various state and federal recreation and park funding programs, standards, laws, rules and regulations. The goal is to develop a more comprehensive state role that is responsive to recreation and park needs in the areas of planning, administration and management. Assistance provided to: Local government, recreation agencies, citizens.

NJ HOUSING AND MORTGAGE FINANCE AGENCY'S SPECIAL NEEDS HOUSING PROGRAMS:

Services for Independent Living (SIL) was established in 1988 in order to help promote and maintain the independent life-styles and avoid the unnecessary institutionalization of senior citizens living in apartment buildings financed by the New Jersey Housing and Mortgage Finance Agency (HMFA). This program particularly encourages HMFA-financed senior housing developments to provide supportive services for residents, thus preventing their premature placement in nursing homes. Since the onset of the program 11 years ago, the SIL program has more than doubled participation, having begun with 15 pilot developments. The SIL program is currently in 35 buildings serving approximately 5,000 residents each year.

The mission of the program is to enhance the quality of life for residents in Agency-financed senior citizen housing developments. This is accomplished through:

- Provision of training, resources and guidance to onsite coordinators necessary to develop appropriate programs and services for residents; and
- Development, administration and evaluation of SIL programs in participating developments that acknowledge and facilitate the aging-in-place phenomenon.

The Scattered Site AIDS Permanent Housing Program is a unique private-public partnership (including NJHMFA, the AFL-CIO Housing Investment Trust, HUD, the New Jersey Department of Health & Senior Services, the New Jersey Department of Community Affairs, the New Jersey Department of Human Services, the Federal Home Loan Bank's Affordable Housing Program and Investors Savings Bank) that established the first state-wide community based housing for homeless persons with HIV/AIDS. The program was developed to respond to the overwhelming unmet need for permanent affordable support enriched housing for persons with HIV/AIDS and their families in New Jersey. Under Phase I, the initial 34 units in Camden, Irvington, Newark, Paterson and Trenton were completed in 1997. The project also received a Catastrophic Illness in Children Relief Fund appropriation from the New Jersey Legislature. Four nonprofit sponsors are providing maintenance and social services. Under Phase II of the program, an additional 30 units are currently under construction in Essex County.

The Transitional Housing Revolving Loan Program: In 1989 as part of an inter-agency initiative between NJHMFA, the New Jersey Department of Community Affairs and the New Jersey Department of Human Services, the NJHMFA authorized \$4 million in Agency reserves for the implementation of its Transitional Housing Revolving Loan program. The program makes a "0" percent construction loan and/or a permanent loan with an interest rate not to exceed "5" percent for a term ranging from five (5) years to a maximum of thirty (30) years for eligible projects. The program is targeted to homeless families and their children, homeless individuals including victims of domestic violence, persons with HIV/AIDS and other persons

with special needs. Since its inception and through September of 1998, the program has financed thirteen (13) projects with 228 units by committing approximately \$4.5 million and generating \$17 million in additional local, State, Federal and private resources.

The Developmental Disability Housing Programs: The NJHMFA and the New Jersey Department of Human Services are partners in a program that is serving persons with developmental disabilities and their families through the provision of innovative housing and supportive services. In 1996, the NJHMFA established the Developmental Disability Housing Program (DDHP) which includes the Equity for Services Program, the Shared Equity Program, the Home Ownership Program, the Shared Living Residence Cooperative Program, the Low Income Housing Tax Credit Program and the Section 811 Bridge Loan Program. The DDHP will enable persons with developmental disabilities who are currently on the Division of Developmental Disabilities' (DDD) "Urgent Waiting List" and/or participating in the "Governor's Inclusion Initiative Program" or currently have DDD services and who are recommended by the DDD Regional Office to access innovative and flexible types of single family and multi-family housing arrangements that incorporate both client and family participation.

New Jersey Supportive Housing Program: A partnership between the New Jersey Department of Community Affairs (DCA), the New Jersey Department of Human Services (DHS), Division of Mental Health Services, the NJHMFA and the Corporation for Supportive Housing (CSH) has been established to encourage non-profit developers and sponsors to develop high quality and affordable housing for individuals or families in New Jersey who are homeless or at risk of homelessness. The New Jersey Supportive Housing Program is specifically targeting individuals or families in New Jersey where at least one person is coping with mental illness, substance abuse problems, HIV/AIDS, or other chronic medical and mental disabilities. A CSH New Jersey State Advisory Committee (which includes representatives of NJHMFA, DCA and DHS among others) is providing CSH with guidance and counsel regarding the program including its annual budget and program actions.

Monmouth County Supportive Housing Collaboration: The goal of the Monmouth County Supportive Housing Initiative is to establish a collaborative effort between community and business representatives, governmental agencies, and housing and service providers, for the purpose of creating long term solutions to the housing and human service needs of individuals/families with special needs living in Monmouth County. The NJHMFA, and the New Jersey Departments of Community Affairs, Health and Senior Services and Human Services (the Division of Mental Health Services) are working with a number of organizations, local government agencies, housing and service providers, etc. to further our efforts in providing safe, decent and affordable housing with the provision of support services for all people with special needs.

The Home of Your Own Program: The NJHMFA and the New Jersey Developmental Disabilities Council are working together in a partnership to provide the opportunity for individuals with developmental disabilities to achieve the American dream of home ownership

while at the same time continuing research to identify barriers for systems change. Under a grant provided by the New Jersey Developmental Disabilities Council, the NJHMFA has employed a Program Coordinator to carry out the mission and goals of the Home Of Your Own Program which include, but are not limited to, fulfilling the grant commitment of placing individuals into a home ownership opportunity, researching and identifying the needs of people with disabilities and barriers to securing housing opportunities, developing a public outreach campaign, and developing a home ownership counseling program to address the needs which are identified for people with disabilities.

Home Ownership for Permanency Project: The NJHMFA and the Division of Youth and Family Services (DYFS) are proud partners in a demonstration program to help abused, neglected, abandoned or orphaned children, including those defined by DYFS as "Child(ren) with Special Needs," to achieve permanence through placement with relative caregivers or adoptive families. To the extent practicable, NJHMFA will make loans to eligible borrowers through the Agency's Home Buyer Program (including the 100% Financing Program). Additional financial products under this demonstration include loans made completely from the Agency's allocation of funds for families that do not meet standard Agency underwriting guidelines but who are creditworthy, rehabilitation loans for families who currently own their own home but need to make necessary improvements to accommodate the newly adopted children or combination refinance and rehabilitation loans. One of the goals of the project is to maintain flexible underwriting guidelines in order to maximize the number of families served by this demonstration program.

New Jersey Redevelopment Authority

NJ Urban Site Acquisition Program provides low interest loans to municipalities, nonprofit groups and private developers to secure a clear title on boarded up and abandoned lots.

Urban Coordinating Council (UCC) is comprised of representatives from all of the State departments and agencies. The UCC provides technical and financial assistance to the 16 UCC designated cities: Asbury Park, Camden, Elizabeth, Elizabeth Port, Irvington, Jersey City, Long Branch, New Brunswick, Neptune, Newark, North Camden, Perth Amboy, Plainfield, Pleasantville, Trenton, and Vineland.

Non-Housing Community Development Plan

Community Development Goals and Objectives

The Consolidated Planning process provides an opportunity for New Jersey to examine its community development needs and the resources available to address those needs. While “community development” encompasses a broad range of programs and activities, the scope of the community development activities addressed here focuses primarily on the Small Cities Community Development Block Grant Program (CDBG).

The CDBG program assists eligible municipalities and counties meet pressing development needs and address emergency conditions that cannot be assisted by other programs. The State of New Jersey will use the majority of CDBG funds to principally benefit low- and moderate-income people (i.e. not less than 70 percent of such funds are used for activities that benefit persons of low and moderate income). Low and moderate income is defined in the New Jersey Small Cities CDBG Program as the income for “lower income” families as set forth in the Section 8 Assisted Housing Program of the US Department of Housing and Urban Development. This low- and moderate-income standard varies for metropolitan areas and individual counties covering New Jersey. Current income figures are made available by the US Department of Housing and Urban Development and are included in application instructions distributed to all eligible units of government by the Department.

The specific objectives of the State’s program are:

- To support housing rehabilitation programs that will increase the supply of safe, decent, and affordable housing.
- To support and encourage efficient patterns of community development, redevelopment, and capital funding by giving priority to proposals that address health and safety concerns and that improve conditions in existing settlements.
- To encourage innovative proposals that combine job creation, housing improvement and other eligible activities to renew designated revitalization areas.
- To encourage the development of facilities needed to support welfare to work programs such as job training and child and elder care.
- To support and encourage neighborhood revitalization efforts identified in locally developed plans and strategies intended to develop affordable housing.
- To improve the availability and adequacy of essential public facilities and remedy serious deficiencies in areas that principally serve people of low or moderate income.

- To support community and economic development activities that expand business enterprises and increase job opportunities for the unemployed and for people of low or moderate income.
- To ensure that municipalities have the capacity to implement community development programs and maintain community development improvements.

To support community development projects of particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and where other financial resources are unavailable.

DISTRIBUTION OF FUNDS

Contingent on final approval of the State's Consolidated Plan by the US Department of Housing and Urban Development, the distribution of CDBG funds will be as set forth below.

Administration and Technical Assistance:

<i>Administration</i>	<i>\$318,500</i>
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The State is permitted to retain an amount equal to 2 percent of the grant award plus \$100,000 to cover costs associated with the State's administration of the CDBG program. In FY 2000 this amount totals \$318,500.

<i>Technical Assistance</i>	<i>\$109,000</i>
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The State intends to distribute \$109,000 for technical assistance related to community development and guidance of utility to non-entitlement municipalities, as determined by the Department.

Programmatic Purposes:

<i>Emergency Housing Repair Fund</i>	<i>\$100,000</i>
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This fund has been established to correct emergency conditions in housing occupied by income eligible people who are unable to receive assistance from any other source. Assistance will be provided on a first-come, first-served basis to the extent funds are available.

<i>Community/Economic Development Fund</i>	<i>\$1,000,000</i>
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This fund provides assistance to projects that will generate new employment opportunities for people of low and moderate income. These projects may include infrastructure

improvements or extensions that support private investment in new production facilities and/or equipment as well as loans to for-profit enterprises.

Discretionary and Innovative Development Fund

\$1,000,000

This fund provides assistance for activities that meet one of the three Statutory Objectives, but that do NOT qualify for consideration under any of the other Small Cities Funds. Examples include land acquisition in support of new housing construction for low-income people and assistance to first-time home buyers.

Innovative Development Proposals (IDP) will also be considered in this category. These proposals ***must*** consist of more than one eligible activity (excluding administration or planning). The activities proposed must be carried out within the same time period and must be directly related to the implementation of a locally approved redevelopment strategy.

For example, a request for funds to improve local streets, to provide loans for downtown business improvement, and to renovate apartments above commercial space would qualify as an IDP

Housing Rehabilitation Fund

\$4,400,000

This fund will be used for activities that improve the condition of affordable housing in New Jersey. To foster programs that involve more than one unit of government in managing and delivering housing rehabilitation assistance, three set-asides will be established.

- A County-managed set-aside totaling \$2,000,000, with maximum grant awards of \$500,000.
- A multi-jurisdictional program set-aside of \$1,600,000 with maximum grant awards of \$350,000.
- A single jurisdiction program set-aside of \$800,000 with maximum grant awards of \$200,000.

Public Facilities Fund

\$3,996,500

This fund is established to assist units of local government to construct or improve essential public facilities that will primarily benefit low and moderate income persons, senior citizens and the physically challenged.

108 Loan Program

The State is authorized by this program to extend financing to commercial projects and to real

estate and industrial businesses with a proven ability to expand. 108 Program funds may be used for fixed asset financing for land, construction or renovation, for machinery and equipment, or for working capital. Such loans may be provided for up to 90% of the total fixed-asset financing.

The terms of the loans are a maximum of 20 years for real estate, 10 years for machinery and equipment and 6 years for working capital. The interest rate is fixed at 2% above the rate charged to the State by HUD. The purpose of the 108 loan program is to stimulate private sector investment and to retain and create permanent job opportunities for people of low and moderate income residing in eligible units of local government. The project may also qualify if it produces a vital service consistent with one of the statutory objectives of the CDBG program.

Community Development and Housing Needs Statement

To be considered for assistance from any Small Cities fund (with the exception of the Emergency Housing Repair Fund and the 108 Loan Program) the applicant must provide a **Community Development and Housing Needs Statement**, consisting of three components -- community development needs, housing needs, and status of applicable land use plans.

Bonus Points

Bonus Points will be given to proposals submitted by applicants that participate in the Strategic Neighborhood Assistance Program (SNAP), the Urban Coordinating Council (UCC) or the Neighborhood Preservation Program (NPP); Proposals submitted by applicants that have received Center designation or have achieved Plan endorsement by the State Planning Commission or have received comparable designation from the Pinelands Commission

Applicants must demonstrate that the proposal for which assistance is requested furthers the implementation of the cited plan or designation 100 Points.

Proposals submitted by applicants that are eligible to receive Balanced Housing funds 100 Points.

Proposals submitted by applicants that are eligible to apply for (but may not receive) Balanced Housing funds 20 Points.

Housing rehabilitation programs that will capitalize a revolving loan fund 100 Points.

Proposals that leverage other funds (e.g., local revolving loan funds, HOME, Neighborhood Preservation, banks, private funds) may receive bonus points as follows:

Leverage of between 25% through 49% of the requested grant amount 25 Points Leverage

of between 50% through 99% of the requested grant amount 50 Points.

Leverage of 100% or more of the requested grant amount 100 Points.

Funds dedicated to meeting the matching requirements will not be considered in calculating the leverage bonus.

Proposals that are concise, non-repetitive and responsive to application instructions 50 Points.

Eligible Activities

Activities assisted under the Small Cities CDBG Program may include only:

1. Requisition of real property that is blighted; appropriate for rehabilitation; appropriate for preservation as a historic site; used for provision of public works or other public purposes.
2. Acquisition, construction, reconstruction, or installation of public works, facilities (except for buildings and site and other improvements for the general conduct of government).
3. Code enforcement in deteriorated or deteriorating areas in which such enforcement may arrest the area's decline.
4. Clearance, demolition, removal, and rehabilitation of buildings.
5. Special projects directed to the removal of architectural barriers that restrict the accessibility of the elderly and handicapped.
6. Payments to housing owners for losses of rental income incurred in holding units for relocated individuals and families displaced by activities under the program.
7. Disposition of real property acquired pursuant to the program.
8. Provision of public services if the local government during the 12-month period immediately preceding implementation of the program has not provided such services.
9. Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of this program.
10. Payment of the cost of completing a project funded under Title I of the Housing Act of 1949.
11. Relocation payments for displaced individuals, families, businesses, and organizations.
12. Activities necessary to: 1) develop a comprehensive community development plan; and 2) enable the recipient to more effectively administer the program
13. Payment of reasonable administrative costs

14. Activities carried out by public or private non-profit organizations including: planning, acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government), site improvements, and utilities commercial or industrial buildings or structures, assistance to nonprofit organizations serving non-entitlement areas, local development corporations or entities organized under The Small Business Investment Act of 1985 to carry out a neighborhood revitalization or community economic development or energy conservation projects, including the development of shared housing opportunities for the elderly (other than by construction of new facilities).
15. Activities necessary to the development of a comprehensive community-wide energy-use strategy
16. Assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project
17. Rehabilitation or development of housing assisted under Section 17 of the United States Housing Act of 1937
18. Assistance to facilitate the substantial reconstruction of housing owned and occupied by low- and moderate-income persons
19. Technical assistance to increase the capacity of public or non-profit entities to carry out eligible neighborhood revitalization or economic development activities
20. Housing services designed to assist homeowners, tenants, and others participating or seeking to participate in eligible housing activities
21. Assistance to institutions of higher education capable of implementing eligible activities
22. Assistance to public and private organizations (for-profit as well as non-profit) to facilitate the development, stabilization, and expansion of micro-enterprises
23. Assistance to facilitate and expand homeownership by subsidizing interest rates, financing acquisition, guaranteeing mortgages, paying up to 50% of down payments, or paying reasonable closing costs for income-eligible people
24. Activities necessary to repair and operate housing units acquired through tax foreclosure to prevent abandonment and deterioration
25. Assistance to facilitate and expand homeownership by subsidizing interest rates, financing acquisition, guaranteeing mortgages, paying up to 50% of down payments, or paying reasonable closing costs for income-eligible people

Additional State Community Development Programs

The State has three additional programs that address the community development needs in the State. These programs are:

Adopt-A-Neighborhood Program provides technical assistance to private organizations interested in sponsoring a neighborhood community project. Established in 1995, the program encourages residents, businesses, corporations, civic organizations and nonprofits to work together to respond to neighborhood needs. A wide variety of community development projects such as the creation of neighborhood playgrounds, painting of homes, and neighborhood beautification projects have been made possible because of the contributions of individuals, and organizations involved in this program.

Main Street New Jersey Program a nationally recognized downtown revitalization program providing communities with the skills and knowledge to manage their own central business districts through the organization of local citizens and resources. This program is helping communities capitalize on the unique strengths of their traditional, downtown business districts. The State provides training and technical assistance in all aspects of downtown revitalization. Since its inception, the program has helped communities realize more than 3,000 new jobs, nearly 600 new businesses, over 800 building improvement projects and approximately \$53.5 million in private reinvestment.

Special Improvement Districts Program supports economic and community development and management for downtown and business centers by providing advocacy, supporting conferences, training and technical assistance. The program serves as a clearinghouse for research and information on the New Jersey Special Improvement Statute, Business Improvement Districts, and business district management. Established in 1984, the program provides assistance to municipalities, not-for-profit organizations and business associations interested in establishing a Business Improvement District. A Business Improvement District is an organization used by local businesses to provide specialized services such as sidewalk clean up, graffiti removal, physical improvements, and area marketing and business promotion. To date, over 42 municipalities in New Jersey, in conjunction with their business communities, have utilized the Special District Management Act of 1984 to professionally manage and market their central business districts, industrial parks and commercial zones.

Table 3 illustrates Community Development Needs and Priorities for New Jersey.

Table 3: Community Development Needs

Priority Community Development Needs	Priority Need Level (High, Medium, Low, No Such Need)	Estimated Priority Units *	Estimated Dollars to Address *
PUBLIC FACILITY NEEDS			
Neighborhood Facilities	Medium		
Parks and/or Recreation Facilities	Medium		
Health Facilities	High		
Parking Facilities	Medium		
Solid Waste Disposal Improvements	Medium		
Asbestos Removal	Medium		
Non-Residential Historic Preservation	High		
Other Public Facility Needs	Low		
INFRASTRUCTURE			
Water/Sewer Improvements	Medium		
Street Improvements	Medium		
Sidewalks	Medium		
Sewer Improvements	Medium		
Flood Drain Improvements	Medium		
Other Infrastructure Needs	Medium		
PUBLIC SERVICE NEEDS			
Handicapped Services	Medium		
Transportation Services	Medium		
Substance Abuse Services	High		
Employment Training	High		
Health Services	Medium		
Other Public Service Needs	Low		
ANTI-CRIME PROGRAMS			
Crime Awareness	Low		
Other Anti-Crime Programs	Low		
YOUTH PROGRAMS			
Youth Centers	High		
Child Care Centers	High		
Youth Services	High		
Child Care Services	High		
Other Youth Programs	Medium		
SENIOR PROGRAMS			
Senior Centers	Medium		
Senior Services	Low		
Other Senior Programs	Low		
ECONOMIC DEVELOPMENT			
Rehab; Publicly- or Privately - Owned Commercial/Industrial	High		
CI Infrastructure Development	Medium		
Other Commercial/Industrial Improvements	Medium		
Micro-Enterprise Assistance	Low		
ED Technical Assistance	Low		
Other Economic Development	Low		
PLANNING			
Planning	High		
TOTAL ESTIMATED DOLLARS NEEDED:			

*Estimated Priority Units and Estimated Dollars to Address for the State's non-entitlement areas are unknown.

The Community Development Block Grant FY2000 Total Program Funds are \$10,496,500. A break-down of this total for various funding categories is listed in the Consolidated Plan under the "Additional Requirements"

section.

Low-Income Housing Tax Credit Program

The Tax Reform Act of 1986 created Low-Income Housing Tax Credit (LIHTC) which may be applied against the Federal income tax of persons or associations who have invested in certain buildings providing housing for low income families. The tax credit, rather than a direct federal subsidy, provides a dollar for dollar reduction (or credit) to offset an owner's federal tax liability on ordinary income. Tax credit interest may be syndicated or sold to generate equity for the developments, thus reducing the necessary mortgage financing and providing more affordable terms. The tax credit frequently provides the last critical element to ensure the financial feasibility of the project. In the State, the LIHTC program is administered by the New Jersey Housing and Mortgage Finance Agency (HMFA).

To qualify for a tax credit, the rental property must meet established thresholds for total units affordable to different income categories, and the units must remain affordable for at least 15 years.

The amount of tax credits available for allocation each year by HMFA is established pursuant to certain requirements of the Internal Revenue Code. Tax Credits are awarded for specific projects pursuant to State's Low-Income Housing Tax Credit Qualified Allocation Plan. In order to be considered for tax credits in the State of New Jersey, the proposed property must entail new construction, substantial rehabilitation, or acquisition and substantial rehabilitation.

Each year, the State establishes funding cycles, which are published in regional newspapers throughout the State. The program currently has five funding cycles.

- 1. Urban Cycle:** for projects located on HMFA's Urban Cycle List, except for projects receiving HOPE VI funding. This cycle has three set-asides:
 - *Targeted Neighborhood/SNAP Neighborhood Set-Aside* for projects that are part of an approved neighborhood plan within targeted neighborhoods and for projects in designated SNAP neighborhoods.
 - *Senior Set-Aside:* for senior citizen projects.
 - *Nonprofit Set-Aside:* for qualified nonprofit organizations.
- 2. Suburban/Rural Cycle:** for projects not located in municipalities on the Urban Cycle List. This cycle has one set-aside.
 - *Nonprofit Set-Aside:* for qualified nonprofit organizations
- 3. HOPE VI Cycle:** for projects located in municipalities on the Urban Cycle list, which utilize

HOPE IV funds.

4. Special Needs Cycle: for special needs projects located anywhere in the State. This cycle has three set-asides:

- *Developmentally Disabled Set-Aside:* for projects providing housing for the developmentally disabled.
- *HIV/AIDS Set-Aside:* for projects providing housing for people who are homeless or at risk of homeless and who are HIV+ or who have been diagnosed with AIDS.
- *Work First Set-Aside:* for projects providing housing to participants of the Work First Temporary Assistance to Needy Families Program or Work First General Assistance Program administered by the Department of Human Services.

5. Final Cycle: if HMFA determines that there are sufficient credits from the reserve to administer one.

Lead-Based Paint Hazards

Lead has come to be recognized as the number one environmental hazard facing children today. The main source of the lead is dust from deteriorating paint in older housing. The lead hazard is particularly acute in New Jersey since the State has some of the oldest housing stock in the country. Lead-based paint was banned from use in residential structures in 1978, but eighty-five percent of New Jersey's 3,000,000 dwelling units were built before the ban took effect. If we assume a fairly even distribution of all families among the State's housing stock by age of the housing, approximately 1,155,000 low- and moderate-income families are living in pre- 1978 dwelling units. A significant number of these families may be at risk of lead poisoning, since low- and moderate-income families are more likely to live in deteriorated housing than do higher-income families.

New Jersey has received two grants from the United States Department of Housing and Urban Development (HUD) to establish a lead-based paint hazard control program. The first grant (\$4.25 million), which ended in June 1999, contributed to controlling lead hazards in 194 dwelling units occupied by low- and moderate-income families, and to establishing a public education program about the potential hazards of lead-based paint and about lead poisoning in general. The grant leveraged more than \$6 million from other sources, which included federal and state housing rehabilitation programs and private funds from owners and lenders. The grant was targeted to New Jersey's sixty-nine "Priority One" municipalities, as determined by the New Jersey Department of Health. "Priority One" municipalities have the greatest potential lead-poisoning hazards to children, based on risk factors such as the age of the housing stock, renter or owner occupancy, occupancy by children under six years of age,

overcrowding, and poverty status.

The second grant (\$6.0 million), which remains in operation through March 2001, will contribute to lead hazard control work in more than 300 dwelling units and will expand the education program to include state-certified training for non-profits in lead-based paint inspection, risk assessment, and abatement. The HUD grant will be leveraged ,with \$6.0 million from other sources as with the first grant. The Department of Community Affairs' Division of Housing and Community Resources administers the Program. In addition to the "Priority One" municipalities, this grant will be targeted to "Urban County" consortia and to some "target" municipalities that are not actively participating in the program.

The overall program strategy for both programs has five components. The first element incorporates lead hazard control work into housing rehabilitation projects. The Department has committed a significant portion of its lead funds to housing rehabilitation projects that are being funded by other programs. The Department believes that rehabilitation coupled with lead abatement is more cost-effective than performing these functions separately. Rehabilitating units without regard to the potential or actual presence of lead-based paint also poses the risk of generating dust that can raise blood-lead levels in workers and families to unacceptable levels. By taking advantage of ongoing housing rehabilitation activity, the abatement program becomes one of primary prevention. To help ensure that children benefit from abatement activities, the Department has imposed a requirement inspired by the Rental Rehabilitation Program, that a majority of units abated under the program have two or more bedrooms.

Advocating lead-based paint abatement to all program staff and owners who are receiving rehabilitation funds, the Department expects to assist many projects. Since rehabilitation work abates significant amounts of lead-based paint by removing and disposing of old building components, less money will have to be spent on abatement in each unit and more units can be done. Another advantage to combining both activities is that doing abatements alone may ignore a leaky roof or an electrical problem that could damage the abatement work or pose other more serious hazards to the occupants. The program will encourage local housing programs to inspect for lead-based paint and to include abatement routinely in their housing rehabilitation programs.

Funds from both grants have been awarded to municipalities designated by the State Department of Health as "Priority One", as mentioned above. Under the second grant, "Urban County" consortia, who administer federal funds on behalf of member municipalities, have applied for funds as well. Also under the second grant, the Department has committed funds to some projects located outside of the preceding jurisdictions as well in an effort to reach areas that normally do not have access to rehabilitation funds.

As lead-safe units are created, they will become part of a statewide registry of lead-safe housing. Certificates will be issued to the owners to attest that the housing has undergone lead hazard control work and has met the HUD clearance standards. Lead-safe housing will be mapped using Geographic Information System (GIS) computer mapping software. The software and training has been provided by the University of Medicine and Dentistry of New

Jersey at no cost to the Department.

The second component is the National Institute of Building Sciences (NIBS) contract to develop Guide Specifications for testing and abatement. This document can be used by all owners, regardless of whether or not they are participating in the abatement program. It will simplify the contracting of testing and abatement services. This project was completed in March 1995. The final document has been available to the public since 1995.

The third component is giving priority to vacant, one- and two-family houses, thus gaining experience without the added challenge of relocation, and at the same time establishing an inventory of lead-safe units ready for occupancy by families with children. Priority for vacant units was not always possible under the first grant, since it was part of a nationwide HUD-funded Evaluation of cost and effectiveness lead hazard control work. The Evaluation required that priority be given to occupied dwelling units. Participants receiving funds from the second grant have been encouraged to select more vacant units, depending on local market considerations. Rehabilitating and abating vacant units will increase the inventory of lead-safe housing without the problem of providing temporary relocation. A "dual track" system will be implemented to place families in newly rehabilitated, lead-safe housing, with their former units being made available for abatement, if appropriate.

The fourth component is to achieve cost-effective administration by using existing staff to perform many of the program functions. By coupling the Lead-Based Paint Abatement Program with existing rehabilitation programs, the Department will reduce program administrative expenses. The Department already maintains a fully-computerized and centralized fiscal management unit, thus eliminating the need for additional accounting work to be done by municipalities. Program control of day to day affairs will be largely vested at the municipal level; the Department will provide technical assistance to municipalities and will have final approval and oversight of projects and will process all payments.

The fifth component is providing education and training for community-based organizations, especially weatherization programs. Many older standard or marginally substandard housing units may have high dust-lead levels that result from deferred maintenance. Cleaning and maintenance efforts in this housing would contribute to the inventory of lead-safe housing. The Department proposes to offer scholarships to non-profit housing providers so they may take home maintenance courses. The training will include how to clean units to reduce lead dust and accredited instruction in lead-based paint inspection and risk assessment. The Department will request assistance from its program sub-grantees to help the non-profits establish cleaning and maintenance businesses. The nonprofits who have viable businesses after one year will be given two scholarships for training as lead-based paint abatement contractors/supervisors.

The program has several other features in addition to the preceding five components. In December 1993, the Governor signed Public Law 1993, Section 288, which mandates the training and certification of lead hazard inspector/risk assessors, supervisor/contractors, and workers, and the accreditation of training programs for these disciplines. Certification regulations for all of them except contractors were published for adoption and took effect in

1995. Contractor certification regulations have been in effect since January 1, 1996.

Interagency cooperation characterizes the lead hazard control program as well. The New Jersey Department of Health and Senior Services also administers a Childhood Lead Poisoning Prevention Program (CLPPP) under a grant from the Centers for Disease Control and Prevention. To help select cities in the first round of the program, which involved the Evaluation, the Department asked CLPPP staff to review and comment on the capacities of local health departments to work on the Evaluation. In addition to the GIS mapping mentioned above, abatement activities will be tracked under the State's Uniform Construction Code (UCC). The Division of Codes and Standards, which administers the UCC, has enhanced its computer software used in the Uniform Construction Code Activity Reporting System (UCCARS) to include lead abatement activities.

The Department also plans to adopt requirements for the maintenance of housing in lead-safe condition. These requirements will be incorporated into the Hotel and Multiple Dwellings regulations, a set of maintenance requirements enforced through cyclical inspections for buildings with three or more dwelling units. The Department's proposal establishes a two-tiered system, with additional requirements imposed on housing built before 1950. The requirement to maintain housing in a lead-safe condition will also be included in the Emergency Shelters for the Homeless rules, applicable to shelters housing women and children and in the State Housing Code, a set of maintenance requirements applicable to one and two family dwellings. The State Housing Code is not mandatory statewide, but is adopted by reference by a number of municipalities.

Barriers to Affordable Housing

The programs, regulations, and conditions reviewed in this section affect land and housing costs. Some of these programs and policies come under the authority of the New Jersey Department of Community Affairs. New Jersey's building code, for example, administered by local building officials licensed and regulated by the Department directly affects housing costs. Most of the policies and programs viewed in this section, however, fall beyond the authority of a single agency or level of government but nonetheless influence land, development, and housing costs.

Land Use Regulations: Two types of regulations affect housing costs. Development regulations, such as the construction code, place minimum standards on how developers build. Land-use regulations, on the other hand, (zoning laws, environmental protection requirements) define the conditions and the amount of land available for development. These regulations fundamentally affect land and housing costs and are slow to respond to changes in housing demand. They dictate what, where, and how much gets built and under what conditions.

New Jersey has an array of State and local land-use regulations. The most basic control is municipal zoning. At the State level, special districts, commissions, and offices regulate land-

use development in historic districts, wetlands, and other designated areas. State law includes the Coastal Area Facilities Review Act, which requires permits for certain developments in specified coastal areas. The Wetlands Protection Act regulates development in protected wetlands. The Pinelands Protection Act protects about one million of the State's 4.8 million acres, and the Delaware and Raritan Canal Commission controls development along the canal.

For State and local regulations to work well, they must balance the needs of a host of public land-based policies, some of which conflict.

Development Standards: Building, fire safety, site, and subdivision standards set a minimum level of protection for the public. The implementation of these standards attempts to make the construction process more consistent, predictable, and timely.

Redundancy in the Permit Process: Housing and other development in New Jersey must be approved by several State agencies, regional planning agencies, county planning boards, sewer/wastewater treatment utilities, soil conservation agencies, and municipal planning boards. Although New Jersey has made progress to streamline the residential construction process and make it more consistent, predictable, and timely, delays and duplications remain.

Infrastructure Financing: New Jersey's settlement patterns continued to grow more decentralized in the 1990s. Population and jobs continued to shift away from the State's older cities toward the suburbs. Like most states, New Jersey has struggled with how to maintain roads, sewers, potable water, parks, and other public facilities and how to build and maintain new infrastructure. To pay for these needs, New Jersey has relied increasingly on user fees and other pay-as-you-go approaches. Builders are assessed impact and linkage fees to pay more of the cost of public facilities and services. These costs tend to be passed on to new homeowners and renters.

Federal Regulations: Federal regulations mandating asbestos removal and lead-based paint abatement raises the cost of rehabilitation in the State's older stock. Lead-based paint abatement typically costs \$14,400 per house.

Fluctuations in Interest Rates: Changes in interest rates affect both a first-time homebuyer and the housing developer. Developers often have difficulty completing projects when the cost of borrowing money is high and low to moderate income families have difficulty meeting their housing costs when their monthly mortgage payment is expensive.

Property Taxes: High property taxes affect not only the owner of affordable housing property but the renter as well. In many cases, a property owner passes on an increase in their property taxes to their renters through an increase in his or her rent.

Not In My Backyard (NIMBY)/Racial and Ethnic Discrimination: The heart of NIMBY lies in people's fear that the construction of affordable housing and/or a change in the population composition of their neighborhood will lower their property values. Even if a municipality has

the land and physical plant to support denser, more affordable housing, it may lack the will to do so. NIMBY attitudes were the targets of the New Jersey State Supreme Court Mount Laurel decisions and the State's Fair Housing Act of 1985. These initiatives try to extend housing opportunities for people earning less than 80 percent of median county income.

In addition, despite more than 30 years of prohibitions against housing discrimination in New Jersey, audits of race and national origin discrimination in the rental and sales markets continue to show high rates of discrimination. Although homeownership rates have increased to record highs, a significant disparity continues to exist between the homeownership rate of Whites compared to that of minorities: 72 percent rate of Whites are homeowners, compared to a rate of less than 45 percent for Hispanics and Blacks.

Strategies to Address Barriers to Affordable Housing

The State recognizes the detrimental effect of various regulations and policies on the cost of housing and land and is committed to improving the effects of it. New Jersey has a number of policies, programs and proposals to address regulatory barriers to affordable housing.

Rehabilitation Subcode: The State in February 1998 adopted the Rehabilitation Subcode, which is the first construction code in the nation written specifically for existing buildings. The Rehabilitation Subcode is a set of standards that provide for the health and safety of building occupants while recognizing what is possible and practical in the setting of an existing building.

The Rehab Subcode is divided into parts that are quite different from the new construction subcodes. There are three types of projects (rehabilitation, change of use and additions) and four categories of rehabilitation (repair, renovation, alteration, and reconstruction). Each category of rehabilitation has a set of five requirements: products and practices; materials and methods; new building elements; basic requirements and supplemental requirements that apply to the categories of work. It should be noted that the Department is currently in the process of revising the current Rehab Subcode.

Site Improvement Standards: In 1997, the State adopted statewide site improvement standards for residential subdivisions. The purpose of these standards is to bring consistency and predictability to the requirements for site improvements and to eliminate standards that contribute to higher housing costs without any greater health or safety benefits. The standards cover street, water supply sewer and storm water management for residential developments.

Land Use Reform: New Jersey courts have taken an active role in redressing regulatory barriers to affordable housing. In the Mount Laurel decisions, the New Jersey State Supreme Court ruled that municipalities have a constitutional obligation to provide a realistic opportunity through zoning for the creation of their fair share of regional low and moderate-income housing needs. The State Legislature passed the Fair Housing Act in 1985, which created the Council on Affordable Housing (COAH) in, but not of, the Department.

COAH determines present and future housing needs and helps municipalities meet their constitutional obligation to provide opportunities for affordable housing. The agency reviews local housing plans and zoning ordinances and certifies those that adequately respond to regional affordable housing needs. This process is voluntary, but municipalities have several incentives to participate. COAH assists municipalities meet their fair housing needs by offering options such as accessory apartments, buy-down programs, and residential conversions of schools and Regional Contribution Agreements. Through the courts and the COAH process, New Jersey communities have modified their zoning laws to provide more opportunity for affordable housing. As of June 30, 1998, 237 municipalities in the State have or were participating in the COAH process. An additional 22 urban aid municipalities are providing affordable housing as receivers of RCA dollars.

Over the next five years, the State will continue to identify and address local and State policies that effect the provision of affordable housing.

Innovative Housing Subsidy Programs: The State through the Department of Community Affairs, Housing and Mortgage Finance Agency and the New Jersey Redevelopment Agency have created programs to create affordable housing opportunities for New Jersey's residents. Over the last six years, the State has provided more than \$2.4 billion to affordable housing rental and for-sale projects.

Anti-Poverty Strategy

The State believes that the only way to ameliorate poverty is to promote economic self-sufficiency by providing support services and affordable housing to low-income individuals and families. Therefore, over the next five years the State will be committing funds to programs that provide the following:

- Education and job training
- Counseling, clothing, food, legal, medical and day care assistance; and
- Safe, affordable housing

As a major player in the provision of services to low and moderate- income families, the Department of Community Affairs will be instrumental in addressing many problems plaguing New Jersey's most vulnerable residents. Since 1969, the Department has been assisting low and moderate income persons by providing the following types of programs: rooming and boarding homes, production of affordable housing, Section 8 Rental Assistance, housing advocacy, homelessness prevention, shelter support, transitional housing, neighborhood preservation, fire safety, low-income energy conservation, childcare, domestic violence, disabled persons, women and elderly advocacy.

State Initiatives to Address Poverty

1. The State will continue to address the problem of homelessness by providing some type of emergency assistance. Such actions will include the following:

- Providing shelter, food, clothing, and social services to families in crisis.
- Supporting the development of transitional and affordable housing and shelter facilities.
- Providing health care to homeless people.
- Aiding homeless runaway youth.
- Assisting individuals who are mentally or physically impaired.
- Helping victims of domestic violence.
- Providing low-income energy services.
- Administering rental assistance programs.
- Providing job training to low-income and homeless individuals.

2. The Department will continue to work with the New Jersey Department of Human Services on efforts to ameliorate the problem of homelessness in the State. These efforts will include moving homeless individuals and families from motels into permanent housing.

3. The State will utilize the Department's Transitional Housing Program to assist homeless individuals to attain and maintain self-sufficiency. This comprehensive program that offers a variety of services has proven very successful. On the average, seven out of ten homeless families participating in the program are placed in permanent housing.

The types of services offered by this program include: housing, case management, addiction, co-dependency and domestic violence support groups, GED/Basic Skills education, group therapy, life skills' education on parenting, nutrition and budgeting, child care, transportation and random drug/alcohol testing. Currently, the Department funds five transitional housing sites throughout the State.

4. Another program that the State will use is the Family Development Program (FDP), which was a result of the Family Development Act. FDP is a welfare reform initiative that takes a holistic approach to addressing the problems and needs of welfare recipient families. The program provides training and education, such as English as a Second Language, General Equivalency Diploma (GED) preparation, remediation, and two and four-year college programs. FDP takes a comprehensive approach to welfare reform in order to foster self-sufficiency for families. Linkages are established with housing sectors, health service providers, the Division of Youth and Family Services, educational systems and other social service providers.

5. Where applicable, the State will tap into the eight county Family Resource Centers that are mandated to provide case management, assessment, child care and Jobs Training Partnership Act programs.

6. The State will also use its Family Self-Sufficiency Program to help welfare recipients achieve financial and emotional independence. The services provided by this program include: case management, treatment and counseling, child care, transportation, GED classes, English as a Second Language and Basic Skills classes, vocational training, on-the-job training and job search skills. In addition, workshops in parenting, tenancy, housekeeping, budgeting and nutrition are offered.

7. The State will continue to set-aside **at least** 15 percent of its HOME Partnerships Investment Program funds for affordable housing projects sponsored by Community Housing Development Organizations (CHDOs). The Department has taken an active step in identifying potential agencies from among community action agencies (CAAs), church and civic groups and other community-based organizations interested in engaging in housing activities. The Department will continue to provide technical assistance to these CHDOs in order to build their capacity as affordable housing sponsors so that they can address their community's housing needs and related anti-poverty concerns. To date, 60 organizations have been certified as State CHDOs.

8. The State will also utilize the Department's Community Service Block Grant Program (CSBG). Under this program, 27 local community action agencies receive federal funds to provide a variety of services to assist low-income residents throughout the State. Some of these services include health, nutrition, clothing, transportation, employment, education and life skills, counseling and referral assistance.

9. The Department will continue to reach out to and form partnerships with private organizations throughout the State that are working to ameliorate poverty. The Community Action Agencies, the Community Loan Fund (CLF), and STEPS (Solutions to End Poverty Soon) are all involved in anti-poverty efforts.

- The Community Action Agencies are multi-purpose, anti-poverty agencies established under President Lyndon Johnson's War on Poverty of 1964. Currently, there are 27 CAAs in the State of New Jersey and their interaction is facilitated by the New Jersey Association of Community Action Agencies.
- The New Jersey Community Loan Fund is a private non-profit organization that invests in the revitalization of depressed neighborhoods. CLF operates a revolving loan fund of \$2.5 million from which it provides funding primarily to community-based non-profit organizations that develop affordable housing in New Jersey.
- STEPS is a coalition of individuals, and religious, civic and grassroots organizations striving to promote greater public awareness of poverty in New Jersey.

The State will continue to coordinate its efforts to address housing issues and the conditions of poverty that surround homeless and low-income people. We recognize that the need for

assistance far exceeds the current level of available resources. The State will, therefore, strive to improve coordination among State agencies, local housing organizations and social service providers and, when necessary, create new programs to respond to the needs of those most at-risk.

Institutional Structure

This section describes the institutions and organizations participating in the implementation of the State's housing strategy. The State carries out its affordable housing and redevelopment strategies through the combined efforts of public, non-profit and private organizations. The following description identifies the key contributors to this effort:

Public Institutions

The State's housing programs are administered by the New Jersey Department of Community Affairs and the New Jersey Housing and Mortgage Finance Agency in cooperation with the Council on Affordable Housing.

- ⌄ The Department of Community Affairs provides financial, technical and advisory assistance to residents of the State. The two divisions within the Department that administer housing programs are Housing and Community Resources, Codes and Standards.
- ⌄ The Division of Housing and Community Resources provides information, training and technical assistance for housing development to municipalities, non-profit organizations and private developers to encourage and facilitate the construction of housing for low and moderate-income families. The Division is also responsible for planning and implementing programs that provide the following: aid to the homeless, rental housing assistance, neighborhood preservation and community development.
- ⌄ The Division of Codes and Standards is responsible for the adoption and enforcement of regulations governing building construction and safety. The Division's staff works closely with housing developers to promote regulatory and legislative reform. In addition, it also trains and certifies local building code officials and inspectors.
- ⌄ The New Jersey Housing and Mortgage Finance Agency (HMFA) provides below-market rate financing for the purchase and production of housing in the State. HMFA uses proceeds from the sale of tax-exempt and taxable bonds to provide low-interest mortgage loans for the purchase of single-family homes and the production of multi-unit rental housing.
- ⌄ The Council on Affordable Housing (COAH) assists municipalities in determining and meeting their need for low and moderate-income housing. COAH works closely with the Department's Division of Housing and Community Resources and the Housing and Mortgage Finance Agency to meet their respective goals.

- C The Department of Human Services (DHS) also is involved in the delivery and development of affordable housing. DHS works closely with the Department of Community Affairs and HMFA staff to develop transitional housing and single room occupancy programs. DHS is currently working with HMFA on a new program to assist developmentally disabled individuals purchase homes.
- C Municipal Governments - There are 566 municipalities in the State of New Jersey. If eligible, municipalities are encouraged to apply for the State's housing grant and loan programs or are encouraged to partner with a local housing organization. Many of the larger municipalities within the State either administer their own programs or apply directly to HUD for funding. Many municipalities also join a "county consortium", which guarantees them some level of funding on a yearly or bi-yearly basis.
- C County Governments - The State has 21 counties that are eligible for state and federal housing programs and many counties administer their own human services and housing services programs. Counties often contract with municipalities for services because many municipalities often do not have sufficient resources to deliver housing and human services programs in a timely and effective manner.

New Jersey has three regional planning commissions that influence the affordable housing market. These include the Hackensack Meadowlands Development Commission, Casino Reinvestment Development Authority and the Pinelands Commission.

- C The Hackensack Meadowlands Development Commission has jurisdiction over a district encompassing 14 northern New Jersey municipalities in Bergen and Hudson Counties, specifically focusing on the effect of new development on the Meadowlands. The Commission is preparing a regional housing plan stipulating that at least 20 percent of all new housing units developed in the district will be affordable to low and moderate-income households.
- C The Casino Reinvestment Development Authority (CRDA) oversees the use of casino and licensing revenues in Atlantic City. Most of these funds are dedicated to the production of housing in Atlantic City and Southern New Jersey.
- C The Pinelands Commission oversees development of over 1.1 million acres in the designated Pinelands region of South Jersey. Only development applications that conform to the comprehensive management plan adopted by the Commission will be approved.

Nonprofit Organizations

New Jersey has over 200 nonprofit developers and sponsors active in the rehabilitation, construction, management, and preservation of affordable housing. These nonprofit

organizations generally assist populations not being served by the private sector, particularly low income and special needs households. Therefore, their continued participation is vital to the State's ability to meet its housing needs. Besides producing affordable housing, many nonprofits provide homeownership counseling and supportive services to persons residing in their service area.

The following summary describes several prominent non-profit groups that provide technical and/or financial assistance to developers producing affordable housing:

- The Affordable Housing Network of New Jersey is an umbrella organization that has some 200 nonprofit housing developers and sponsors as its members. The Network assists nonprofit organizations by offering support services and providing capacity building opportunities. The Department and Network staff often work together to provide technical assistance, training and operating support to non-profit organizations.
- The New Jersey Community Loan Fund pools investors' resources to provide bridge financing and construction and permanent loans for affordable housing projects.
- The Delaware Valley Community Reinvestment Fund is a community- based financial institution that provides financial and technical assistance to developers interested in revitalizing the low-income areas in the Delaware Valley.
- The Local Initiatives Support Coalition (LISC) is a national nonprofit organization that provides pre-development loans and financing and technical assistance to nonprofit community development corporations. LISC currently has offices in Newark and Trenton, NJ and has a variety of projects in Newark, Trenton, Elizabeth, Paterson, Vineland, Millville and Bridgeton.
- The Enterprise Social Investment Corporation provides technical assistance to developers and leverages equity dollars for tax syndication deals.
- Community Action Agencies provide a wide range of housing services to low-income households. These services include homeownership and budget counseling and maintaining lists of available low-income housing.
- Neighborhood Housing Services of America (NHSA) is a not-for-profit organization that manages the NJULP and provides technical assistance to developers of affordable housing. NHSA provides a first mortgage program to families with incomes less than 115 percent of median income.

Private Industry

Over the past few years, many private sector institutions have become involved in the affordable housing market. Some of the more prominent groups are discussed below.

- The Thrift Institutions Community Investment Corporation (TICIC), a subsidiary of the New Jersey Savings League, provides permanent financing for low and moderate-income housing projects.
- The Federal Home Loan Bank (FHLB) provides both grants and below market interest loans to developers producing low and moderate-income housing projects.
- To boost homeownership, Fannie Mae announced in December 1999, that it will invest \$18 billion over five years into New Jersey's urban areas. The goal of the investment is to help 180,000 low- and middle-income people become homeowners in Camden, Elizabeth, Paterson, Newark and New Brunswick. Fannie Mae plans to target populations generally underserved by commercial outlets, such as immigrants, families with bad credit, and people buying affordable housing from nonprofit housing agencies.
- Private Lenders: The Department with the Housing and Mortgage Finance Agency, the Council on Affordable Housing and the New Jersey Department of Banking and Insurance is working with the State's financial institutions to meet their federal Community Reinvestment Act (CRA) responsibilities. Both the Department and COAH have sponsored training workshops for CRA institutions on such topics as the affordable housing development process and how to structure transactions and package public and private credit enhancements.
- For-Profit Developers: The Department encourages the participation of this group by offering partnership awards for for-profit/non-profit joint ventures.

Overcoming Gaps

While many strengths in the institutional coordination process are evident, the following assessment addresses identified gaps in the delivery system.

- Educational awareness for private developers: The State will continue to encourage for-profit developers to learn more about the affordable housing market through the Department's Affordable Housing Training Institute. The Department, through its Office of Housing Advocacy, has created the Affordable Housing Training Institute to provide training on various organizational, development, and management issues relating to housing.
- Creation of partnerships between nonprofit and for-profit developers interested in producing affordable housing: To facilitate the participation of private developers in the affordable housing arena, the State will encourage the formation of non-profit/for-profit partnerships by doing the following:

- a. Neighborhood Development Initiative Fund: The State will use money from this fund to partner inexperienced nonprofits with either experienced nonprofit or for-profit entities. Eligible costs include pre-development and seed money loans to cover costs associated with the creation of affordable housing projects.
- b. The Division of Housing and Community Resources' Office of Housing Advocacy (OHA) currently offers Partnership Awards of up to \$15,000 for non-profit and for-profit joint ventures.
- Integration of housing policies with the policies of State and public regulatory and environmental agencies: Although environmental policies, such as the Coastal Area Facility Review Act (CAFRA) and the Wetlands Protection Act, are only peripherally related to housing, they often have a substantial impact on a developer's ability to deliver affordable housing. The Department will attempt to open the lines of communication between its Divisions and other regulatory agencies in order to have input on regulations affecting the housing field.
- Coordination of housing development with economic opportunities and community development: This comprehensive approach, which ties job opportunities and social services to housing revitalization, will help stabilize depressed areas as well as promote self-sufficiency of the area's residents. In order to accomplish this, the State through the Urban Coordinating Council will work more closely with other State Departments to target resources in the same areas of the State.
- Provision of planning and technical assistance for non-urban counties/ municipalities: Non-urban communities often do not make affordable housing a financial or political priority. This creates a severe problem in rural counties where hundreds of subsidized units are lost through prepayment of HUD and FmHA mortgages. Remedial actions to be undertaken by the Department will include outreach, education and technical assistance to these rural areas.

By providing successful models of public/private partnerships and mixed-use developments, the Department believes communities will be encouraged to include housing development as part of their overall economic plan.

In summary, the Department will continue to strengthen, coordinate and integrate its institutions and delivery system. The State over the next five years will address the identified gaps by working with other State, local and private sector entities.

Coordination

The State of New Jersey recognizes that the expeditious delivery of housing services relies on improving and expanding intergovernmental and institutional cooperation on the State, county and local levels to coordinate effectively the delivery of public and private resources. The State, through the Department and the Housing and Mortgage Finance Agency and COAH, has made significant strides in coordinating the policies and programs of government agencies that are direct providers of housing. Improved coordination among agencies is essential since many initiatives require some participation from each of the State agencies.

The Department will continue to improve the coordination between housing providers and health and service agencies by doing the following:

- Continuing to utilize the UCC to assist designated urban areas.
- Maintaining an excellent working relationship with various State departments, including the Department of Health and Senior Services and the Department of Human Services, in order to implement a statewide homelessness strategy.
- Continuing to build on-going relationships with housing providers who manage, rehabilitate and construct affordable housing and homeless facilities.
- Expanding and improving existing housing programs: The Department has taken advantage of the extra funds received from both the federal HOME and the Regional Opportunity Counseling Programs to assist an additional number of needy families.
- Coordinating the services of the HMFA's first-time homebuyer programs with the Department's Housing Affordable Service (HAS). HMFA and Departmental staff are currently working together to assist potential homebuyers identified by HAS. HAS maintains a database of households desiring affordable housing and currently has a waiting list of 27,000 families.
- Sharing information about current issues affecting affordable housing: The Department provides financial assistance to "Housing New Jersey," a monthly magazine which identifies pertinent public and private activities relevant to the provision of housing opportunities in New Jersey. The diverse composition of the magazine's Board of Trustees (representatives of the nonprofit community, developers, lenders and housing advocates) provides a real opportunity for sharing information among the key participants in the housing delivery system. In addition, the Division of Housing and Community Resources' Office of Housing Advocacy publishes a quarterly newsletter, "The Housing and Community Development Advocate," which provides current information about State and federal programs. The "Advocate" has a circulation of over 2,500.
- Providing professional development training to the State's public housing authority managers: The Department sponsors a comprehensive training program for executive directors and commissioners of the State's 90 local housing authorities. The program,

developed in cooperation with two statewide housing associations, provides courses in areas such as ethics and resident initiatives. The resident initiative course encourages housing authority managers to allow public housing residents to become more involved in management and participate in homeownership.

- Coordinating the services of the Council on Affordable Housing (COAH) with municipalities to support the production of affordable housing: COAH advises and assists local governments to develop strategies to meet local needs for affordable housing, including the review of regional contribution agreements which support the rehabilitation and construction of affordable housing in communities of greatest need.
- Continuing to utilize the four Consolidated Plan focus groups to obtain input, comments and guidance on the State's goals and initiatives.

Public Housing Resident Initiatives

The New Jersey Department of Community Affairs as the State *Public Housing Agency (PHA)*, is a vital element to the comprehensive planning and development of the State's Consolidated Plan. The PHA's stated mission--*"To strengthen and revitalize communities by assisting in the delivery of adequate and affordable housing, economic opportunity and a suitable living environment, and by providing supportive services and by promoting community and economic development without discrimination"*-- is compatible and consistent with the affirmed goals and objectives of the Department of Community Affairs' Consolidated Plan.

The Quality Housing and Work Responsibility Act (QHWRA) of 1998 implemented significant changes to the Section 8 Housing Program that were designed to revitalize and improve the tenant-based assistance program. One of the most important changes made by the QHWRA is a new component of tenant-based assistance operations--the Public Housing Agency plans.

The plans include a five-year and an annual plan to advise HUD, Section 8 Program participants and members of the public of the PHA's strategy for addressing the needs of low income and very-low income families served by the PHA. The five-year plan describes the mission of the PHA and its long-range goals and objectives for achieving its purpose over the five years. The annual plan provides details about the PHA's immediate operations, program participants, programs and services, and the PHA's operational strategy for the upcoming year.

Further, each Public Housing Agency must establish a Resident Advisory Board to assist and make recommendations regarding the development of the PHA plan for the Section 8 Housing Program. The Resident Advisory Board must provide reasonable representation of families receiving tenant-based housing assistance in the PHA's jurisdiction. Since DCA administers the program statewide and seeks to obtain the widest representation possible the Section 8 Program wrote to all 15,500 active families to announce the formation of the Board and to invite their participation.

Nearly 900 Section 8 participating families responded to the notice indicating their interest in the Resident Advisory Board.

The program conducted meetings with Section 8 participants in each county to explain the role of the Resident Advisory Board and to acquaint interested participants with the Section 8 program administrative policy. Twenty-one delegates and twenty-one alternates have been selected by residents to represent them on the Resident Advisory Board. Statewide representation has been achieved which represents a cross-section of household types including elderly, persons with physical disabilities, mental health issues, women in recovery, single-parent families, family self-sufficiency program participants and working poor families.

Training sessions were conducted regionally for all Resident Advisory Board members and a general meeting also convened of all delegates and alternates. The PHA Plan will reflect Resident Advisory Board recommendations. A public hearing is required for the 5-year and Annual PHA plans at a location convenient to the residents assisted by the PHA. The Plans also required certification of consistency with the State's Consolidated Plan.

Monitoring

The Department will administer all of the funds received from the U.S. Department of Housing and Urban Development, with the exception of HOPWA, which will be administered by the Department of Health. Each grantee receiving federal funds from the Department will be monitored at least twice during the duration of the contract. During the monitoring visits, Departmental staff will review the grantees' files to ensure that statutory and regulatory requirements are being adhered to. Any deficiencies identified will be addressed and corrected immediately. Additional monitoring visits will be scheduled, if needed.

ACTION PLAN/ONE-YEAR USE OF FUNDS

Figure 16: Estimated Needs, Goals and Projections for FY 2000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over FY 2000
Decent, Safe, and Affordable Housing	Goal #1: Increase the number of affordable housing units built for our most vulnerable populations, (0 to 50% of median county income), and continue to provide housing opportunities for people of moderate incomes.	Provide funding to projects that create additional, affordable, rental housing.	2, 530 Multi- family units created/ year	06/30/00	HOME Production.: \$1,700,000
		Provide funding to projects that create affordable, for-sale housing.	70% of units created and occupied by very low and low income households.		CHDO Production: \$1,000,000
		Fund affordable mortgages for first- time homebuyers.	30% moderate income (51 to 80% of median)		Balanced Hsg: \$15,000,000
			2, 590 Single family for-sale units created/ year.		Tax Credits: \$10,000,000
					Permanent Hsg. For Low-Income: \$4,000,000
					Multi-family Rental Hsg (HMFA): \$5,000,000
					Too Good, But Its True (HMFA): \$10,000,000
					Dream Come True (HMFA): \$140,000,000
					UHORP (HMFA): \$4,000,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over FY 2000
		Abate code violations and improve the aesthetic quality of neighborhoods	130 homes to be rehabbed 125 neighborhoods cleaned up / year.	06/30/00	Neighborhood Preservation: \$3,000,000 HOME NPP: \$1,000,000 HOME Rental Rehab: \$250,000 Urban Site Acquisition Revolving Loan (NJRA): \$5,000,000 Unsafe Buildings Demolition: \$4,000,000
Decent, Safe, and Affordable Housing	Goal #2: Assist homeless individuals and families in obtaining permanent housing and becoming self-sufficient.	Create a continuum of care to address the economic and social problems of the homeless population.	2,160 homeless individuals/ families assisted per year (homeless prevention). 16,000 assisted with vouchers/ year and 460 assisted with HOME TBA.	06/30/00	Family Self Sufficiency: \$45,500 Section 8 Vouchers: \$ 105,000,000 Work First NJ: \$1,200,000 Homeless Prevention: \$3,000,000 ESG /Shelter Support: \$4,000,000 HOME Tenant Based Asst: \$2,300,000
Decent, Safe, and Affordable Housing	Goal #3: Promote lead-based paint education and abatement efforts.	Implement a campaign to warn residents about the dangers of lead paint chips and dust in their home.	Statewide education effort 26 units abated/ year	06/30/00	Lead-Based Paint: \$1,800,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over FY 2000
Non-Housing Community Development Needs	Goal #4: Support the revitalization of neighborhoods through participatory neighborhood planning efforts.	Continue to promote neighborhood planning efforts through the SNAP, UCC and NPP programs and by giving priority in other programs for projects that are part of a neighborhood plan.	30 neighborhood plans developed.	06/30/00	Strategic Neighborhood Assistance Program (SNAP): TBA Urban Coordinating Council (UCC): TBA Neighborhood Preservation Program (NPP): \$ 2,800,000
Homelessness and Special Needs	Goal #5: Encourage the development of housing, housing choice, and the provision of support services for special needs populations.	Use State and federal funds to improve the quality of life for our special needs populations.	442 special needs families assisted / year	06/30/00	HOPWA: \$1,000,000 Shelter Plus Care: \$1,000,000 HOPE for the Elderly: \$1,000,000 Development Disabilities Homeownership (HMFA): TBA Services for Independent Living (HMFA): TBA Scattered Site AIDS Permanent Hsg. (HMFA): \$ 750,000 (Year 2000) Transitional Housing Revolving Loan (HMFA): \$ 1,500,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over FY 2000
Non-Housing Community Development Needs	Goal #6: Support community and economic development programs that expand business enterprises and increase job opportunities for low and moderate income households.	Promote economic growth and development through out the State. Expand the number of businesses. Encourage communities to work with NJ Transit to increase public transportation opportunities in our urban areas.	44 municipalities assisted per year 400 businesses created / year	06/30/04	CDBG: \$12,000,000 Special Improvement Districts (SIDS): \$100,000 Main Street: TBA Smart Growth Planning Grants: \$3,000,000 (FY 2000) Section 108 (EDA): TBA Upstairs/Downtown (HMFA): \$10,000,000 (FY 2000)
Non-Housing Community Development Needs	Goal #7: Continue to support sustainable development and smart growth initiatives.	Establish a Green Office to provide TA to interested developers. Provide funding to eligible projects.	9 developers assisted. 9 projects completed.	06/30/00	Sustainable Development Affordable Hsg.: \$ 200,000 (FY 1999) Brownfields: TBA
Decent, Safe, and Affordable Housing	Goal #8: Continue to build the capacity of the State's community-based organizations.	Provide training, technical assistance & program funding to 20 nonprofit organizations.	87 groups assisted per year	06/30/00	Office of Housing Advocacy (OHA): \$2,250,000 CHDO Operating: \$325,000 Faith-Based Community Development Initiative: \$5,000,000 CSBG \$12,000,000

Priority Needs	Goals	Strategy	Objectives (# & Types Families to Serve)	Target Date	Estimated Amount Budgeted over FY 2000
Decent, Safe, and Affordable Housing	Goal #9: Reduce regulatory barriers to developing affordable housing.	Continue to work with other State and local governments to alleviate delays caused by regulatory barriers.	Provide technical assistance to developers of affordable housing.	06/30/00	Not Applicable
Decent, Safe, and Affordable Housing	Goal #10: Promote fair housing practices and educate the public about the benefits of and the need for affordable housing.	Utilize the Division's web site to promote affordable housing.	Web site developed and fair housing info posted and updated regularly. Fair housing articles in the Advocate newsletter	06/30/00	Not Applicable

ADDITIONAL REQUIREMENTS

Program Descriptions and Applications

Community Development Block Grant

The Department's Small Cities CDBG Program provides grants to eligible municipalities and counties for the development of viable communities through decent housing, a suitable living environment and an expansion of economic opportunities for low- and moderate-income households. The CDBG Program emphasizes projects that will rehabilitate housing for people of low- and moderate-income, upgrade public facilities, and generate new employment opportunities. In addition, funds will be available to address emergency conditions which cannot be assisted by other programs.

The State will use the majority of CDBG funds to principally benefit low- and moderate-income people (i.e., not less than 70 percent of such funds are used for activities that benefit persons of low and moderate income). Low and moderate income is defined in the New Jersey Small Cities CDBG Program as the income for "lower income" families as set forth in the Section 8 Assisted Housing Program of the U.S. Department of Housing and Urban Development. This low- and moderate-income standard varies for metropolitan areas and individual counties covering New Jersey. Current income figures are made available by the U.S. Department of Housing and Urban Development and are included in application instructions distributed to all eligible units of government by the Department.

The CDBG Program will reduce involuntary displacement of persons from their neighborhoods and homes and mitigate the adverse effects of any such displacement on low- and moderate-income persons by requiring applicants to assess all feasible alternatives to any activity resulting in involuntary displacement. In the event involuntary displacement is the only feasible alternative, the State will require that grantees comply with the requirements of the Housing and Community Development Act of 1974, as amended, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the statutory amendments implementing regulation (CFR Part 24).

The CDBG Program is divided into six funding categories: Municipal Consolidation Challenge Grant Fund; Emergency Housing Repair Fund; Community/Economic Development Fund; Discretionary and Innovative Development Fund; Public Facilities Fund; and the Housing Rehabilitation Fund. The State will award grants to applicants presenting a cost-effective program that: 1) meets one of the federal statutory objectives, 2) is consistent with the sound land use practices, and 3) appropriately addresses well-documented community needs.

<i>2000 PROGRAM FUNDS</i>	\$10,496,500
Emergency Housing Repair Fund	\$ 100,000
Community/Economic Development Fund	\$ 1,000,000
Discretionary and Innovative Development Fund	\$ 1,000,000
Housing Rehabilitation Fund	\$ 4,400,000
County Programs	\$2,000,000
Multi-jurisdictional Programs	\$1,600,000
Single jurisdiction Programs	\$ 800,000
Public Facilities Fund	\$ 3,996,500
Senior Citizen and Handicapped	\$1,199,000
Other Public Facilities	\$2,797,500
<i>108 LOAN PROGRAM</i>	\$39,604,000
(\$10,924,000 X 5 = \$54,620,000 minus \$21,731,000 [sum of outstanding loans])	

- Ⓒ *Emergency Housing Repair Fund* provides grants to correct emergency conditions in housing occupied by income eligible people who are unable to receive assistance from any other source.
- Ⓒ *Community/Economic Development Fund* provides assistance for eligible activities that will directly result in the retention and/or creation of employment, primarily for people of low or moderate income. Typical grants are used for public facilities, land and building acquisition, and as loans to for-profit enterprises for plant and equipment.
- Ⓒ *Discretionary and Innovative Development Fund* is established to assist eligible activities that meet a national objective but do not qualify for consideration under any other Small Cities Fund. In addition, this Fund is available for supporting Innovative Development Proposals. Such proposals consist of programmatic activities that must be carried out within the same area during the same time period.
- Ⓒ *Public Facilities Fund* provides funds to local units of government for acquisition, construction, reconstruction or installation of public works and facilities. The program places particular emphasis on those projects that will primarily benefit low and moderate income persons, senior citizens and the handicapped.
- Ⓒ *Housing Rehabilitation Fund* provides assistance to projects that will increase the supply of safe, decent, and affordable housing within Small Cities communities.

108 Loan Program: The State will use these funds to finance small and medium commercial projects, real estate and industrial business with a proven ability to expand and grow that are seeking fixed asset financing for land, construction or renovation, or machinery and equipment, or working capital. These 108 loans are provided for up to 90% of the total fixed-asset financing. The terms of the loans are a maximum of 20 years for real estate, 10 years for machinery and equipment and six years for working capital. The interest rate is fixed at 2% above the rate charged to the State by HUD.

Evaluation Criteria

Emergency Housing Repair Fund: Funding to correct emergency conditions in owner-occupied housing units may be requested at any time throughout the funding year and will be evaluated according to the following considerations:

- Compliance with a statutory National Objective;
- Documented needs and costs;
- Certification that other public funding sources are not available; and
- Date of submission.

108 Loan Program: Applications for 108 loans are evaluated by the New Jersey Economic Development Authority to determine compliance with applicable federal statutes and regulations and with State program objectives. In addition the following factors will be considered:

- The economic distress of the area in which the project is to take place;
- The number of jobs retained or created per 108 Program assistance provided (an average ratio of one job per \$35,000 will be the standard); and the impact on local or area tax bases.

Applications submitted that satisfy these requirements will be assisted to the extent funds are available.

Discretionary and Innovative Development Fund: To qualify for funding from this source applicants must document that the problem to be addressed and/or the remedy proposed falls outside the scope of other funding categories. The applicant must also demonstrate that the activities for which assistance is requested can be implemented quickly and will provide an appropriate solution to the problem identified. Consultation with the State Small Cities staff prior to the submission of a formal request for assistance is encouraged.

Innovative Development Proposals submitted for assistance from this Fund will be evaluated in accordance with the following standards:

- All activities proposed must be complementary in impact;

- Activities must occur within the same time period to have the intended effects and;
- All activities must be clearly identified as necessary to implement a locally adopted redevelopment strategy.

Community/Economic Development Fund: Funding for these projects may be initiated by the applicant at any time during the funding year and will be evaluated according to the following criteria:

- The extent to which the proposed project will create permanent jobs for low and moderate income people for the least amount of Small Cities CDBG funds;
- The number of new employment opportunities available to people of low and moderate income and the ratio of such jobs to all the jobs to be created;
- The applicant's ability to demonstrate through an established training and hiring plan that a high percentage of the jobs created will be available to the area's low and moderate income and unemployed people;
- The extent to which the jobs created provide for advancement, career development and related training for those hired;
- The extent to which private and public investments are stimulated through the use of Small Cities CDBG funds;
- The extent to which the proposed project will create or maintain tax revenues or other comparable income to the community for the least amount of Small Cities CDBG funds; and
- The applicant's ability to implement the project quickly and efficiently once an award is announced.

In addition, proposals that involve the lending of Small Cities CDBG funds to for-profit businesses will be evaluated and, if approved, structured to comply with guidance set forth in the Housing and Community Development Act of 1974, as amended, implementing regulations and the memorandum issued by the US Department of Housing and Urban Development on March 6, 1992. Such standards require that the funds requested and the terms of any loans made reflect the necessity for subsidized financing and the social and economic benefits to be derived.

Small Cities CDBG funds may not be used as the primary source of financing to be used by for-profit enterprises. Applicants must also demonstrate that special reasons justify Small Cities CDBG assistance. All direct assistance to for-profit enterprises will be in the form of a loan, the terms of which shall be established by the Department, and will be provided only to those firms that will retain or create employment opportunities as a direct result of the project assisted with Small Cities CDBG funds.

Applications for this fund shall be reviewed and given a preliminary ranking reflecting the following factors.

Municipal Distress: The relative need of an applicant will be evaluated by using the Statewide

Municipal Distress Index (MDI). This index is also used in evaluating applications for Public Facilities funds and is described below. Applicants may receive up to 50 points for this factor.

National Objective: Each applicant must document how the activities proposed will meet one of the three national objectives established in the Housing and Community Development Act of 1974, as amended. Each program activity is evaluated in terms of benefit to low and moderate income people verified by staff. Up to 250 points are awarded for this factor.

Documentation of Goals and Needs: Applicants that clearly document existing conditions to be addressed by the program proposed and that relate the improvement of those conditions to a broader community statement of goals and objectives are encouraged. Up to 300 points may be awarded to applicants for this factor.

Program Strategy: Applicants that present a feasible and cost-effective program to address needs identified may receive up to 300 points. Competent management, demonstrated awareness and commitment of target area residents, and sufficient funding to generate a positive impact are among the factors considered in this assessment.

Program Support Components: Applicants that present evidence that program support components are in place and on going may receive up to 100 points. Such components may include maintenance and building codes, a program of systematic code enforcement, and code enforcement staff.

Public Facilities Fund: All applications for this fund shall be reviewed and given a preliminary ranking reflecting the following factors.

Municipal Distress: The relative need of an applicant will be evaluated by using the Statewide Municipal Distress Index (MDI). This measure was developed by the Office of State Planning and is updated on a regular basis for use by State agencies in allocating need-based assistance to municipalities. Applicants may receive up to 150 points based on this factor.

National Objective: To be funded, each applicant must document that the activities proposed meet one of the three national objectives set forth in the federal statute and implementing regulations. These national objectives are Urgent Need, Prevention of Slums and Blight, and Benefit to Low- and Moderate-Income People. Each application is ranked according to three factors:

- The percentage of low- and moderate-income people who will benefit;
- The number of low- and moderate-income people who would benefit; and
- The percentage of low- and moderate-income people in the municipality(s) affected.

Applicants may receive up to 425 points for meeting a national objective.

Facility Needs and Costs: The following factors will be considered in evaluating all public facilities applications:

- Description of the project and the problem to be addressed;
- Past and current efforts to address the problem;
- The extent to which the proposed activity provides a long-term solution to the problem identified;
- The number of people served by the improvement;
- The extent to which existing conditions and project costs are certified; and
- Whether available and committed funds -- including those applied for -- will be sufficient to complete the project.

Up to 425 points may be awarded.

Priority will be given to proposals that address a documented threat to public health and safety.

HOME INVESTMENT PARTNERSHIP PROGRAM

The State will use its HOME allocation of \$7.327 million to fulfill the federal mandate of increasing the supply of decent, affordable housing, with a primary focus on providing services for very-low income families. Ten percent or \$732,700 will be used for eligible administrative and planning costs incurred by the State. The remaining \$6.594 million will fund eligible program activities. These funds will be specifically used to support rehabilitation, new construction, tenant-based rental and homeless assistance projects and Community Housing Development Organizations.

The State's HOME funds will be allocated to the following three funding categories:

1. Community Housing Development Organization (CHDO) Set-Aside

CHDO Operating provides operating grants to eligible nonprofits certified by the State as Community Housing Development Organizations to help offset staff costs. During FY 2000 the State will provide operating funds to approximately 8 CHDOs.

CHDO Production provides funding to eligible CHDOs producing affordable units. Eligible activities include: acquisition, demolition and removal of buildings; construction of new housing; conversion of non-residential to residential space and the substantial rehabilitation of vacant buildings. The State will use its set-aside to create approximately 150 units.

2. Neighborhood Assistance Programs

Neighborhood Preservation provides deferred loans for the rehabilitation of owner-occupied substandard housing units. Eligible activities include: the abatement of code violations; improvements for disabled persons and lead-based paint abatement. During

FY 2000, the State will provide assistance to approximately 66 homeowners.

Neighborhood Rental Rehabilitation Improvement provides deferred payment loans, to property owners for the rehabilitation of substandard rental housing units. Eligible activities are the abatement of substandard conditions including: energy-related repairs or improvements, handicapped accessible modifications, abatement of lead-based paint, and the repair or replacement of major housing systems. During FY 2000, the State will use these funds to rehabilitate approximately 70 rental units.

3. Homeless Assistance Programs

Homeless/Tenant-Based Assistance will help reduce housing costs of very low-income households by providing direct rent subsidy payments to their landlords. Priority will be given to graduates of Transitional Housing Programs that meet the Department's guidelines, in addition to assisting special populations for whom specialized housing opportunities may be made available through the Home Tenant-based Assistance program. During FY 2000, the State will use these funds to provide tenant-based assistance to approximately 500 households and will provide security deposit grants to 100 households.

Priority assistance will be given to non-entitlement HOME communities, those that are not receiving a HOME allocation and not able to construct or otherwise provide affordable housing without financial assistance. This will be accomplished by involving for-profit and nonprofit sponsors and developers, Community Housing Development Organizations, lending institutions, and any other entity that could bolster the implementation of the State Consolidated Plan and HOME Programs.

Match Requirements: In order to satisfy the match requirements cited in CFR 92.218, the State of New Jersey will utilize its primary affordable housing production program, Neighborhood Preservation Balanced Housing.

Homebuyer Guidelines: The State already has a program with procedures in place to implement long-term affordability controls and price guidelines that meet the provisions of section 92.254(a)(4). The Department's Housing Affordability Service (HAS) has been performing these types of activities and controls for the past five years. HAS, in conjunction with the Housing and Mortgage Finance Agency (HMFA), will be responsible for ensuring compliance with regulations regarding the initial purchase price, principal residence, and initial purchase only to first-time home buyers.

In addition, HAS and HMFA will monitor the resale restrictions for subsequent purchases to low-income families below 80% of the median and for property use as the principal residence. Resale to a subsequent purchaser will allow a fair market return on investment. Affordable housing terms for subsequent purchasers will remain in existence for a period of between 10 to 30 years depending location, type of project and source of funds.

Figure 17: HOME Funds Allocation

	AMOUNT OF FUNDS
ADMINISTRATION	\$732,700
CHDO SET-ASIDE	
<i>CHDO Production</i>	\$989,145
<i>CHDO Operating</i>	\$325,000
NEIGHBORHOOD ASST. PROGRAMS	
<i>Neighborhood Preservation</i>	\$1,000,000
<i>Rental Rehabilitation</i>	\$250,000
<i>Production Investment</i>	\$1,700,000
HOMELESS ASSISTANCE PROGRAM	
<i>Homeless/Tenant-Based Assistance</i>	\$2,330,155
TOTAL	\$7,327,000

EMERGENCY SHELTER GRANT (ESG) FUNDS

All funds distributed by the Department will be made available to units of general local government or private nonprofit organizations in the form of grants through a competitive process. Applications will be funded based on the evaluation criteria. From those applications approved for funding, the Department of Community Affairs will determine which will be funded through the federal ESG matching program and which will be funded solely from the State program.

The criteria set forth below will be used by the Emergency Shelter Grant Program to evaluate each application:

- C Projects that involve the provision of additional shelter beds or transitional housing units or eliminate health and safety violations in existing shelters or transitional housing facilities will be given highest priority.
- C Applications will be judged in terms of whether the applicant can explain that the existing

facilities and/or services fall short of meeting the needs of the homeless population and that the proposed project is really needed.

- C Applications will be judged in terms of whether the applicant provides reasonable cost estimates from appropriate contractors, and contracts of sale where property acquisitions are involved.
- C Applicants will be given special consideration if they bring funds from other sources other than the Emergency Shelter Grant Program.
- C Considerable emphasis will be given to whether the applicant and/or the agencies sponsoring and operating the shelter have obtained sufficient operating funds to sustain the operation beyond the Emergency Shelter Program.
- C Applications will be judged in terms of comprehensiveness of the social services provided to the homeless clients.
- C Projects that are ready to proceed will receive priority consideration.

HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS FUNDS

Prior to the first formula funding allocation to the State of New Jersey under the Housing Opportunities for Persons With AIDS (HOPWA) program, a small working group comprised of representatives from the Departments of Community Affairs, Health, Human Services determined that the need for rental assistance for persons with HIV/AIDS was a priority. As incomes decreased because of illness among this population, the rate of evictions and homelessness was increasing. HIV consortia funded by the New Jersey Department of Health reported that housing costs were cited by consumers as one of the foremost problems as the disease progressed.

Certifications

Certification Concerning the State's Legal Authority

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

The submission of the Consolidated Plan is authorized under State law, and it possesses the legal authority to carry out the HOME Investment Partnerships, Community Development Block Grant, Emergency Shelter Grant and Housing for People With AIDS Programs.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Certification of Consistency with the Consolidated Plan

I certify that the proposed activities to be undertaken with the HOME Investment Partnerships, Community Development Block Grant, Emergency Shelter Grant and Housing for People With AIDS Program funds are consistent with the jurisdiction's current, approved Consolidated Plan.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Certification Concerning Relocation and Acquisition

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR 24.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Certification for Affirmatively Furthering Fair Housing

In accordance with the Consolidated Submission for Community Development Planning and Development Programs, Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

It has conducted an analysis to identify implements to fair housing choice within the State and has developed an action plan to overcome the effects of the identified impediments.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Anti-displacement and Relocation and Acquisition

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

It has in effect and is following a residential Anti-displacement and Relocation Assistance plan in connection with activities assisted with funding under the CDBG or HOME programs.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Certification Concerning a Drug-Free Workplace

The State and its grantees will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying that actions that will be taken against employees for violation of such prohibition:
2. Establishing an ongoing drug-free awareness program to inform employees about the following:
 - a) The dangers of drug abuse in the workplace;
 - b) The participating jurisdiction's policy of maintaining a drug-free workplace;
 - c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the HOME grant be given a copy of the statement required by paragraph (1);
4. Notifying the employee in the statement required by paragraph (1) that, as a condition of employment under the grant, the employee will:
 - a) Abide by the terms of the statement; and
 - b) Notify the employee in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under paragraph 4 (b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant.

6. Taking one of the following actions, within 30 calendar days of receiving notice under paragraph 4 (b), with respect to any employee who is so convicted--
 - a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6
8. Place of Performance (Street address, city, county, state, zip code)

New Jersey Department of Community Affairs
Division of Housing and Community Resources
Office of Research and Policy Development
101 South Broad Street
PO 806, 5th Floor
Trenton, New Jersey 08625-0806

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Certification Concerning Use of Federal Funds for Lobbying

I Keith Jones, authorized official of New Jersey Department of Community Affairs certify to the best of my knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing, or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding or modification of this grant.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under this grant) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Section 3

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

The State will comply with section 3 of the Housing Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Community Development Block Grant Program

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

1. It is following a detailed citizen participation plan that satisfies the requirements of S91.115, and that each unit of general local government that is receiving assistance from the State is following a detailed citizen participation plan that satisfies the requirements of S570.486 of this title.
2. It has consulted with affected units of local government in the non-entitlement area of the State in determining the method of distribution of funding;
3. It engages or will engage in planning for community development activities;
4. It provides or will provide technical assistance to units of general local government on connection with community development programs;
5. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.
6. This consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2 and requirements of this part and 24 CFR part 570.
7. It has complied with the following criteria:
 - a) With respect to activities expected to be assisted with CDBG funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low-and moderate-income families or aid in the prevention or elimination of slums or blight. The plan may also include CDBG-assisted activities that are certified to be designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs;
 - b) The aggregate use of CDBG funds including section 108 guaranteed loans, during a period specified by the State, consisting of one, two, or three

specific consecutive program years, shall principally benefit low-and moderate-income families in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period (see 24 CFR 570.481 for definition of "CDBG funds");

- c) The State will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low-and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than with CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to public improvements financed by a source other than CDBG funds if the State certifies that it lacks CDBG funds to cover the assessment.
- 8. The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.
 - 9. It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing;
 - a) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b) A policy of enforcing applicable State and local laws against physically

barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Emergency Shelter Grant Program

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

- 1) In the case of assistance involving major rehabilitation or conversion, it will maintain any building for which assistance is under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;
- 2) In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;
- 3) In the case of assistance involving essential services (including but not limited to employment, health, drug abuse, or education) or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is serviced;
- 4) Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;
- 5) The State will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State local, and private assistance available for such individuals;
- 6) The State will obtain matching amounts required under S576.71 of this title;
- 7) The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

- 8) To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and
- 9) The State is following a current HUD-approved consolidated plan.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

HOME Program

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule 24 CFR 91.325, the State of New Jersey certifies that:

- 1) Rental-based assistance is an essential element of its consolidated plan;
- 2) It is using and will use HOME funds for eligible activities and costs, as described in SS92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in S92.214 of this subtitle; and
- 3) It will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Housing Opportunities for Persons with AIDS

In accordance with the Consolidated Submission for Community Development Planning and Development Programs. Final Rule CFR 91.325, the State of New Jersey certifies that:

1. Activities funded under the program will meet urgent needs that are not being met by available public and private sources; and
2. Any building or structure purchased, leased, rehabilitated, renovated or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

Keith Jones, Director
Division of Housing and Community Resources
NJ Department of Community Affairs

(signature)

(date)

Maps

Figure 18: Maps of New Jersey

Figure 19: Average Household Income and Number of Households at a Given Affordability Range - By County

County	0% to <30% of Median Income		30%-50% of Median Income		>50% - <80% of Median Income		Total Household Applicants
	Average Household Income	Number of Household Applicants	Average Household Income	Number of Household Applicants	Average Household Income	Number of Household Applicants	
Atlantic	\$7,877	43	\$18,746	50	\$25,870	38	131
Bergen	9,910	361	20,947	445	33,113	427	1,233
Burlington	9,436	157	19,650	365	28,429	280	802
Camden	8,930	413	18,398	326	29,085	176	915
Cape May	7,749	5	16,004	10	24,226	6	21
Cumberland	9,564	64	18,815	92	28,119	75	231
Essex	10,531	2,494	24,156	2,554	35,503	1,466	6,514
Gloucester	9,140	87	19,263	137	28,091	79	303
Hudson	9,832	2,220	22,272	1,441	34,118	772	4,433
Hunterdon	10,443	29	23,779	27	34,909	25	81
Mercer	10,411	320	21,240	573	31,103	452	1,345
Middlesex	13,590	642	26,315	1,446	38,708	845	2,933
Monmouth	10,105	390	20,660	820	30,688	872	2,082
Morris	10,726	229	23,058	441	34,235	473	1,143
Ocean	9,943	467	20,390	556	31,434	331	1,354
Passaic	10,211	184	21,472	318	31,631	223	725
Salem	9,361	3	19,400	2	21,908	3	8
Somerset	13,116	177	25,764	396	37,564	256	829
Sussex	9,927	31	21,638	47	32,487	33	111
Union	11,608	387	23,660	674	35,060	480	1,541
Warren	10,571	147	22,477	189	34,062	114	450
Grand Total		8,850		10,909		7,426	27,185

Note: The average household income and the number of household applicants are derived from the Housing Affordability Service applicant database, formerly known as The Affordable Housing Management Service in the New Jersey Department of Community Affairs, Division of Housing and Community Resources. Date of Report: February 9, 2000.

Figure 20: 1994-1999 Housing Activity - By County

County	Single Family Units	Multi-Family Units	Total Development Dollars
Atlantic	1,024	290	\$93,400,000
Bergen	613	819	149,000,000
Burlington	1,211	901	173,000,000
Camden	1,972	1,062	220,600,000
Cape May	303	476	35,700,000
Cumberland	467	411	28,800,000
Essex	898	2,742	255,500,000
Gloucester	1,073	404	111,000,000
Hudson	337	1,706	165,600,000
Hunterdon	225	120	20,900,000
Mercer	918	1,913	183,600,000
Middlesex	1,294	601	176,400,000
Monmouth	785	1,137	142,100,000
Morris	673	512	103,900,000
Ocean	843	829	138,800,000
Passaic	670	1,101	127,700,000
Salem	426	0	22,000,000
Somerset	420	47	45,200,000
Sussex	363	82	32,000,000
Union	641	24	132,900,000
Warren	384	8	24,500,000
Grand Total	15,540	15,185	\$2,382,600,000

Source: New Jersey Department of Community Affairs, November, 1999

Public Comment Section

Comment 1:

Bring Plans in Line With Goals: The first goal is to "increase the number of affordable housing units built for our most vulnerable population, (0% to 50% of median)". The 5 year goal repeats this statement. Yet, as your own data shows, the housing needs of lower income households are greater. The Network would like to see more spending going to address the needs of households below 50% of median income. The *action plan* also proposes, "Targeting the creation of 2,530 multifamily units and 2,590 single family units annually." Yet people with the most serious housing problems need predominantly rental housing. Your data shows that a family would need an income of \$33,000/year to afford the fair market cost for a two bedroom apartment and over double that income to afford the median cost of a single family home in most regions of the state. This is supported by the disparity in median income between renter and homeowner populations - \$27,540 vs. \$64,351! The Network would like to see more funding going for rental housing.

Response 1:

The State, through the Consolidated Plan, does target its resources to very low and low income households. The majority of the programs described, with the exception of some of the Housing and Mortgage Finance Agency programs, are restricted by statute to assisting households with up to 80% of median incomes. Currently the State has special needs housing, support services, and economic development programs that assist very low income households. Over 58 % of the federal and state money allocated through the Division of Housing and Community Resources Programs goes to assist households earning 0%-30% of median income.

Comment 2:

Need for Rental Assistance Program - The Plan proposes an anti-poverty strategy, a positive step. Most of that strategy addresses only the problems of people who are homeless and/or on welfare. This is a critical population, but we cannot forget the needs of low income working households. They would benefit greatly from the creation of a state funded rental assistance program. Such a program was recommended by every Task Force in their call for a "state funded 'Section 8 voucher' system in addition to the federally funded one." The Plan should at a minimum incorporate the Governor's proposal for both a \$2.5 million state funded rental assistance program for low income working households and a \$3 million Supportive Housing Initiative program for persons with mental illness.

Response 2:

Many individuals and organizations have voiced support for the creation of a "state-funded rental assistance program" that would assist low-income working families, especially those families transitioning from welfare to work. The Division recognizes the need for additional rental assistance and therefore this year increased the amount of HOME funds allocated to Tenant-Based Assistance by 57%. In addition, as suggested the final Consolidated Plan

does mention the two proposed State-Rental Assistance programs.

Comment 3:

Maximize Funds for Production - The Network has consistently testified on the importance of using the bulk of HOME dollars to increase housing production. We are disappointed that this year's proposed HOME allocation for housing production represents a decrease from \$3 million last year to \$2,689,145 this year. While not a huge reduction our members would prefer to see production dollars increasing rather than decreasing.

Response 3:

The State uses its HOME allocation to fulfill the federal mandate of increasing the supply of decent, affordable housing, with a primary focus on providing services to low income families. This year we reduced the amount of HOME resources allocated for production for the following two reasons: 1) The total federal HOME funds received and allocated by DCA decreased 3.3%; and 2) the amount of State Balanced Housing available this year for production increased by \$4.0 million. The slight reduction in HOME production funds also helped us increase the amount of funds allocated to the Homeless/Tenant-Based Assistance program by 57% (from \$1,480,000 in 1999 to \$2,330,155 in 2000).

Comment 4:

Need for Better Data - Lack of data in the Plan makes it hard to evaluate New Jersey's progress in meeting its priority goals. The Plan needs to include funding, production levels and other relevant data from past years. For example, how much HOME money was used for housing production in past years? The plan states that CHDO Production funds will create approximately 150 units a year. What did they produce in past years? What is the total number of affordable housing units funded and created in New Jersey each year? How many units of affordable housing has New Jersey lost each year? Are we getting closer to reaching our goal of increasing the number of affordable housing units built for our most vulnerable populations? This type of data will help New Jersey develop a real plan to address its housing and economic development needs.

Response 4:

DCA acknowledges the need for better state-wide data collection and reporting and continually strives to improve in these areas. As part of the Consolidated Plan process, we are required to submit an Annual Performance Report (APR) September 30th of each year. This September, an APR for our FY 1999 Consolidated Plan is due. This information, in addition to be posted on our web site, will be included as a chart in next year's, FY 2001, Consolidated Plan.

Comment 5:

Filling the gap - Finally, the Network would like the Plan to recommend three proposals to help meet priority goals of the Consolidated Plan:

- The creation of a state tax credit program modeled on the federal Low Income Housing Tax Credit Program. A \$10 million/ year Program would help address goal #1 by

- creating 1,000 additional affordable homes for low income renters annually.
- The creation of a state Neighborhood Revitalization Tax Credit to fund non-profits' plans to revitalize distressed communities. A program providing \$10 million in tax credits each year could help at least 20 neighborhoods annually, thus achieving goal #4, to "support the revitalization of neighborhoods through participatory planning efforts."
- The creation of an Individual Development Account (IDA) Program to match low-income families' savings for specific purposes such as homeownership, education, and opening a business would help meet goal #2 and "assist homeless individuals and families obtain permanent housing and become sufficient."

Response 5:

There is currently three bills in the New Jersey State Legislature to create an IDA Program, State Tax Credit Program and a Neighborhood Revitalization Tax Credit Program. While, DCA is supportive of IDA, State Tax Credit, Neighborhood Assistance programs in general, it has not been our policy to include proposed legislation in the Consolidated Plan. Please note: that If the State Legislature decides to create these programs, they will definitely be referenced in next year's Annual update.

Comment 6:

A. Housing and Market Analysis

The Con Plan should adopt the findings and conclusions set forth in the recently-released report entitled The Real Cost of Living: The Self-Sufficiency Standard for New Jersey. (Copies of this document were previously provided to you). This study confirms what has long been known anecdotally: the cost of living in New Jersey is very high, and thousands of workers earning less than \$15-20 per hour are in critical need of support - especially housing assistance - if they are to provide at least minimally adequate security and stability for their families. This data should be highlighted, since it significantly qualifies - and puts in context - the information that the "official" poverty rate in New Jersey has fallen. In fact, the real poverty level in our state is much higher than the official number.

Response 6:

While we agree with some of the information stated in your report, it is DCA's practice to use the federal statistics, when available, to document the needs in the Consolidated Plan

Comment 7:

This section should also incorporate the job-related projections contained in the NJ Department of Labor (DOL) publication entitled Projections 2006. (This document was distributed by DCA at a Task Force meeting.) In particular, the Con Plan should set forth in some detail DOL projections concerning the kinds of jobs with the greatest number of openings over the next 10 years, and the wages they pay. DOL's conclusion in this regard should be emphasized: from now until at least 2006, 40% of all jobs in the state can be classified as "low-wage occupations" paying less than \$25,000 per year. The Con Plan should conclude from this that addressing the shortage of affordable housing is critically important to both families/individuals and employers.

Response 7:

Several employment projections from the NJ Department of Labor (DOL) publication entitled Projections 2006 are now cited in the Consolidated Plan.

Comment 8:

The "Welfare to Work" subsection should indicate that the majority of those making the transition from public assistance to employment continue to have very low incomes, and that affordable housing is critical to their eventual achievement of economic self-sufficiency. (The recent studies published by Mathematica and LSNJ should be cited in this regard.) In fact, a March, 1999 study by the Institute for Women's Policy Research entitled The Effects of Welfare Reform on Housing Stability and Homelessness concluded that the loss of benefits makes it more difficult for families to pay rent if they do not find living wage jobs.

Response 8:

A statement supporting your comment was added to the Housing statistics section that documents the need for affordable housing in New Jersey.

Comment 9:

The paragraph describing Section 8 waiting lists should specify that, with possibly one or two exceptions, all of these lists are closed, and have been for some time.

Response 9:

A statement has been added which reflects your comment.

Comment 10:

The Con Plan should cite the Priced Out study issued in March, 1999 by the Technical Assistance Collaborative and the Consortium of Citizens with Disabilities. This report concludes that an SSI recipient in New Jersey would have to pay 105.4% of her/his income for a modest efficiency apartment, and 127.3% of income for a small one-bedroom unit.

Response 10:

As previously stated, it is DCA's practice to use federal information and/or reports suggested by HUD to document needs in the Consolidated Plan.

Comment 11:

Relying upon up-to-date research from the Centers on Disease Control, leading medical and public health journals, and observations by pediatricians across the country, the authors of the report entitled There's No Place Like Home: How America's Housing Crisis Threatens Our Children conclude that living in unaffordable housing has a significant negative effect on the health, nutrition and educational success of children. This finding should be stated in the Con Plan.

Response 11:

The Consolidated Plan does not cite this study in particular but supports the statement that ". . . unaffordable housing has a significant negative effect on the health, nutrition and educational success of children." Households paying greater than 30 percent of their income for housing will frequently have less money available for health, nutrition, education, and other needs.

Comment 12:

Additional data should be supplied with regard to cost burden. Specifically, the Con Plan should identify the percentages of low- and very-low income renters who are cost-burdened, as well as the percentage of all renter households that fall into the low- and very-low income categories.

Response 12:

The 1990 U.S. Census figures cited in the Consolidated Plan show that more than 900,000 households (nearly one-third) in New Jersey live in homes that are excessively expensive (pay greater than 30% of their incomes for housing), overcrowded, or substandard. In addition, 288,000 families, or ten percent pay more than half their income for housing. Current information regarding the percentage of renter households of low- (30-50% of median income) and very low-income (less than 30% of median income) was not available for the entire state (this will be forthcoming as the 2000 Census data becomes available).

Comment 13:

The findings contained in HUD's just-released report Rental Housing Assistance - The Worsening Crisis, should be incorporated into the Con Plan. (Attached are a Press Release dated March 27, 2000 and the Newark/North Jersey data.)

Response 13:

This study was not cited Plan but its conclusion that the rental housing crisis is worsening both across the country and in New Jersey is not disputed. The study did not provide estimates for the entire state, but for the Newark-Northern New Jersey MSA it estimated that 170,200 households had "worst case" needs for rental assistance housing. Worst case housing needs are defined as 1) renters with incomes below 50 percent of the area median income (which in Newark, was \$32,400 for a four-person household in 1998); 2) either pay over half their income for rent or live in severely inadequate housing; and 3) are not assisted by Federal, state, or local housing assistance programs. In the Newark-Northern New Jersey area those with worst-case needs are 20 percent of renters and 8 percent of all households. Some 60 percent of eligible unassisted very-low-income renters have worst case needs. In 1997, 52 percent of eligible renters in the U.S. and 59 percent of eligible renters in the Northeast, had worst case needs.

Comment 14:

B. Housing and Homeless Needs Assessment

In general, LSNJ commends the Department for its efforts concerning the Con Plan.

However, as of March 27, 2000, Tables 1 and 2, as posted on the DCA web site, remain blank. Comment on these tables is presently impossible. Even if the tables were completed before the comment deadline (March 31, 2000), commenters and prospective commenters would have a completely inadequate opportunity to review and evaluate them.

Response 14:

Table 1 estimates the needs, current inventory, unmet needs and relative priority of needs for homeless and special needs populations for the Consolidated Plan jurisdiction (in this case the entire State). No current U.S. Census or other State-wide estimates were available so we asked the CEAS (Comprehensive Emergency Assistance System) committees of each of the 21 counties to estimate the needs in their respective counties. The CEAS Committees were established a number of years ago and represent shelters, transitional housing, emergency assistance and other programs within each county. The results in Table 1 are a summary of the estimates provided by these committees. In cases where information was not received from a CEAS committee estimates were made for that county factoring in the relative rate of poverty for that county and the county's population. Completion of Table 2 is considered optional by HUD so many of the counties/CEAS committees did not have this information available and did not provide the State with estimates. The State therefore did not have information available for completing Table 2. Due to the lack of data, Table #1 is going to submitted to HUD as an estimate of the need. As soon as we have more accurate statistics, DCA will provide the public 30 days to comment on the Tables and the comments will be forwarded as an addendum to HUD.

Comment 15:

The Con Plan should estimate the numbers of "homeless" in New Jersey after defining "homeless" to include households living in doubled or tripled-up situations, or otherwise without permanent housing.

Response 15:

For the Consolidated Plan, we are required to use the definition provided in US Code: Title 42, Section 11302. Homeless: "1) an individual who lacks a fixed, regular and adequate nighttime residence; 2) an individual who has a primary nighttime residence that is a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters and transitional housing for the mentally ill); b) an institution that provides a temporary residence for individuals intended to be institutionalized; or c) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings."

Comment 16:

C. Strategy

The Con Plan should assign its highest priority to the establishment of a state-funded rental assistance program to meet the overwhelming need evidenced by the 10,000 families currently on DCA's federal Section 8 waiting list. Given (a) the information regarding the real cost of living in New Jersey detailed in the report noted in A(1) above, (b) the

Department of Labor's projections described in paragraph A(2), (c) the data on the negative effects of unaffordable housing referenced in the remaining paragraphs of part A of these comments, and (d) the information already included in the draft Con Plan, the creation and full funding of such a program is of critical importance to all low-income households, especially the working poor and families making the transition from welfare to work. The Con Plan should endorse the idea that municipalities contributing to such a program would receive Mt. Laurel credit for the number of long-term vouchers/certificates they fund with developer fees or other available revenues.

Response 16:

The Governor's proposed budget includes the establishment of two rental assistance programs, \$2.5 million state funded rental assistance program for low income working households and a \$3 million Supportive Housing Initiative program for persons with mental illness. As mentioned earlier, the decision to fund programs such as these is primarily up to the New Jersey State Legislature.

Comment 17:

While providing housing opportunities to moderate income people is a laudable goal, nothing in the needs assessment data justifies placing it in the highest priority category. Goal #1 and its accompanying strategies and objectives should accordingly be amended as follows: (a) all reference to moderate-income housing should be deleted; (b) the rental and for-sale units to be created should be exclusively designated for people with incomes below 50% of the median (very-low and low-income households); (c) the number of proposed for-sale units should be reduced to no more than 2,000, reflecting the fact that the vast majority of low and very-low income families cannot afford to purchase and maintain a home, and therefore require affordable rental housing; (d) the number of proposed multi-family rental units should be correspondingly increased to at least 25,000, reflecting the need evident from the waiting list and applications data included in the draft Con Plan; (e) the development of at least 1,000 units affordable by SSI recipients should be made an additional objective.

Response 17:

In the majority of the State's subsidized rental projects, the average of all of the renters' income is between 57.5%-60%. Most of the renters occupying these units are below 50%. The moderate income renters living in these units besides needing/deserving decent, affordable housing often make the project feasible by providing additional monthly income to the support the project. In regards to for-sale units, NJHMFA's Too Good, But Its True and Dream Come True Programs are solely first-time homebuyers programs. The bond revenues allocated to these programs determines the number of single-family units created. In regards to your last statement, SSI recipients are included in the very low

income population.

Please note: There was an error in the draft plan in Figures 14-15, Goal #1 Objectives. The correct numbers are 70% (up to 50% median income) and 30% (51%-80% median income).

Comment 18:

The strategies and objectives outlined in conjunction with Goal #6 (involving economic development programs) should expressly project the number of jobs to be created. Moreover, these jobs should be explicitly described as jobs providing living wages and providing health and other benefits to lower-income workers. Finally, a strategy involving the jobs generated by publicly-financed or assisted development should be included. This strategy should state that the low-income communities approximate to any such development should be the first-source for hiring for the majority of all construction and permanent jobs generated by the project. Provisions to this effect should be included in all grant/loan agreements and other contracts related to publicly financed or facilitated projects.

Response 18:

It is difficult to project the number of jobs that may be created as a result of community and economic development programs. DCA currently does not have the authority to mandate living wages, health benefits, etc. for its programs. In many cases the enabling legislation that created a particular program would need to be amended to institute these proposals.

Comment 19:

D. Non-Housing Community Development Plan

With regard to Table 3 - which contained no data as of March 27, 2000 - LSNJ voices the same concerns set forth in paragraph B(1) above. Comment is impossible where no data is supplied.

Response 19:

DCA will provide the public 30 days to comment on the Table 3 and the comments will be forwarded to HUD as an addendum to the Consolidated Plan..

Comment 20:

E. Barriers to Affordable Housing - This section should incorporate and emphasize the following (6) additional strategies:

Racial and ethnic discrimination must be explicitly identified as barriers to affordable housing. Such discrimination is closely associated with, if not at the heart of, the NIMBY syndrome already mentioned as a barrier in the draft plan. [See The Impact of Mt. Laurel Initiatives: An Analysis of the Characteristics of Applicants and Occupants, Center for Public Service, Seton Hall University, August, 1996, at page 21: "... (T)here is strong empirical evidence that racial discrimination limits the opportunities for Black and Latinos

in the suburbs."] Even if such discrimination is not overt, the reluctance of most suburban communities in New Jersey to effectively remedy the persistent effects of past discrimination (most notably evident in exclusionary zoning practices) by actively encouraging and facilitating the production of affordable housing has served to foster and perpetuate racial as well as economic segregation.

Response 20:

A sentence has been added to the barriers section to reflect this comment.

Comment 21:

Despite enabling legislation, municipal reluctance to approve ordinances that permit more extensive use of mobile homes must be identified as a barrier. In the rest of the country, mobile homes are a major source of affordable housing, and provide homeownership opportunities otherwise unavailable to many lower-income families. (See The Future of Manufactured Housing, Joint Center for Housing Studies, Harvard University, 1997).

Response 21:

At this time, municipalities have the authority to permit manufactured housing/mobile homes as long as the housing carries the DCA seal which is applied at the factory. Currently, the only other remedy is to pursue the Mt. Laurel doctrine.

Comment 22:

E. Strategies to Address Barriers to Affordable Housing

The State should undertake an extensive and aggressive public campaign to expand the supply of affordable housing. The State should assume the mantle of leadership in this regard. A broad-based, well-funded education/publicity campaign should be mounted in all areas of New Jersey - especially the suburban counties - explaining and emphasizing the benefits of affordable housing to children, families, employers, the local economy, and the community as a whole. Such a campaign is a vital part of any attempt to overcome NIMBY.

Response 22:

The State is currently applying for a federal fair housing grant which, if received, will be used to create a state-wide education/publicity campaign.

Comment 23:

In addition to the educational campaign described above, the State must back up its verbal commitment by expanding the financial resources dedicated to affordable housing. Among other things, this must include: (a) creation of a significant state-funded rental assistance program; and (b) financial incentives (such as cash grants to cover the cost of tax abatements, infrastructure improvements, etc.) to communities that facilitate actual construction of affordable units, especially for households below 30% of median income.

Response 23:

As previously mentioned, the Governor has proposed the creation of two State rental assistance programs in her budget.

Although, there is currently no additional funds budgeted to address the creation of financial incentive pool - DCA 's practice is to leverage its State and federal funds with local and private sector money to obtain tax abatements and make infrastructure improvements in target areas.

Comment 24:

In conjunction with the aforementioned incentives, the State should "sanction" municipalities that fail or refuse to address barriers in their communities. Various categories of State aid should be reduced or withheld; points should be deducted when evaluating competitive grant applications; and other related penalties should be imposed.

Response 24:

To date, the State has encouraged municipalities to address barriers and provide affordable housing on a voluntary basis. Your comment will be taken under consideration.

Comment 25:

The State must mount a comprehensive effort to enforce existing civil rights laws and pursue other legal remedies that are available to reduce or eliminate barriers to affordable housing. In addition to education and outreach efforts, an aggressive litigation strategy must be carried out. For example, the Attorney General should make it clear that he will institute a lawsuit against any landlord who refuses to accept a Section 8 or other housing assistance payment in violation of the Supreme Court's ruling in Franklin Tower One v. N.M., 157 NJ 602 (1999).

Response 25:

DCA has generally left it up to the Attorney General and the Division of Civil Rights to bring forth fair housing litigation. However, DCA refers people who believe that their rights have been violated to people and/or agencies that can help them. For example: if someone is discriminated against by a landlord refusing a Section 8 voucher, DCA will assist that person in filing a Federal Housing Discrimination Complaint with the U.S. Department of Housing and Urban Development.

Comment 26:

The State must commence a legislative effort to amend the Fair Housing Act in order to create meaningful remedies against municipalities that do not obtain substantive certification of their housing plans and actual production of the needed affordable dwellings.

Response 26:

Your comment will be taken under consideration.

Comment 27:

A similar legislative effort must be undertaken to amend the Municipal Land Use Law and

related statutes so as to promote the use of mobile homes as a source of affordable housing.

Response 27:

State law (NJSA 40:55D-104) currently prohibits municipalities from refusing manufactured housing/mobile homes if they are at least 22 inches wide, on a permanent foundation and are on their own lot. Given these requirements, the units must be treated as a "stick built" house.

Comment 28:

F. Anti-Poverty Strategy - The strategy proposed in the draft Con Plan is too limited. At a minimum it should include:

A commitment to incorporate into all state contracts or agreements - especially those involving financial benefits such as loans or grants - provisions mandating that, in absence of laws requiring higher wages, all parties to the transaction, as well as their subcontractors, must pay living wages and provide meaningful benefits to all employees.

Response 28:

At present DCA does not have the authority to institute these anti-poverty requirements into its contracts and agreements.

Comment 29:

A commitment to incorporate into all contracts or agreements involving publicly funded or assisted development projects a requirement that the low-income communities in the area surrounding the project be designated the first source for hiring for all construction and permanent jobs generated by it.

Response 29:

All of our federal programs require compliance with Section 3 of the Housing and Urban Development Act of 1968. Section 3 states that employment and other economic opportunities generated by HUD assistance shall, to the greatest extent feasible, be directed to very low and low income persons. Your comment will be taken under consideration for our State programs.

Comment 30:

The Action Plan should be adjusted to reflect and incorporate the changes to the 5-year strategy prepared in section "C" of these comments.

Response 30:

Any changes made in the Five-Year Plan will be reflected in the Action Plan.

Comment 31:

The State should provide an annual increase in the Balanced Housing Program of 3%. This increase will, in the five years of the plan, bring the total number of units provided by the Balanced Housing Program from 30% in year 1, to 45% in year number 5. If our housing acquisition strategies for the non-profit housing providers would flow as planned, the money would be used. Monies allocated from the State of New Jersey Balanced Housing Program could be used to bring our city (Camden) back to its originally intended use.

Response 31:

The Balanced Housing Neighborhood Preservation program is funded through the NJ Realty Transfer Tax, and has, due to the phenomenal growth in the real estate market in recent years, grown at an annual rate greater than 3 percent.

Comment 32:

After reviewing the 5-year plan, we noticed no allocation of dollars to help bring into the city (of Camden) market rate housing. If the city is going to start paying its fair share of taxes, market rate housing will have a tremendous impact on the tax base. There have been a number of organizations trying to bring market rate housing into the city, but (they) have been unsuccessful. The problem was the way the organizations were presenting their programs. There are close to fifteen non-profit housing providers in the City of Camden. An incentive to include market rate housing in neighborhood that has taken dramatic change should be added to blend families with higher incomes. In order for communities to thrive, a blend of various incomes has to be in place.

Response 32:

The Consolidated Plan does not specify the cities or neighborhoods where projects will be located in the next five years. The Department's Downtown Living Program has been created specifically to provide market-rate housing and encourage economic activity and revitalization in downtown areas. In addition, NJHMFA's UHORP Program provides construction financing to mixed income for-sale units.

Comment 33:

Monitoring - This component of the plan makes the difference between good programs and bottomless money pits. Of all the changes that have taken place in public service in the last five years I must say I respect the level that the government on all levels is taking towards monitoring and streamlining how federal dollars are being spent. Having said that, I feel that programs like transitional housing, homeless institutions and other temporary housing types are missing the point. An estimated \$2,900 a month per person to live in this type of setting I feel we (the taxpayers) deserves more service for our dollars. I feel these programs could benefit from a similar type of rating assessment system as the Public Housing and Project-based Section 8 (PHAS AND SEMAP).

Response 33:

The transitional housing and shelter support programs administered by the Department of Community Affairs are closely monitored to prevent abuse and waste.

Comment 34:

In the areas of housing and in the anti-poverty strategy, I believe one of the best tools available is the creation of the Individual Development Account (IDA). They create asset building for the low income and they have the potential to be used for the purchase of a home. From my 20 years in community action, it is my observation that low income persons who own a home are more committed to their neighborhoods and their community. Although one could find many exceptions to that statement, homeowners in our service area do fit those characteristics. Therefore, I am recommending that the Department consider implementing an IDA Program with the multiple funding sources available and/or make it a priority of the Department to develop State funding for this purpose.

Response 34:

Currently there is legislation in the State Legislature proposing the creation of a state-funded IDA program.

Comment 35:

Inspections - Is it possible to cut down on the number of inspections? Each year, every CHC home has approximately 6-11 inspections. Is it possible to have one lead agency perform these inspections, or combine inspections?

CHC Required Inspections:

- DCA - Boarding Home Licensing-shared living residence inspection-one per year
- DCA - Resident certification - 5 inspections each year, more if a resident passes away or moves into a nursing home and is replaced by a new person. These inspections should be combined and performed once a year for each home. When a new resident moves into the program, the yearly inspection should stand until the next year's inspection, even if it means the new resident's second inspection is performed before they have been in the program for a year. This would cut down tremendously on the number of inspections from DCA's staff and CHC's staff. Can DCA have one lead person within the agency who relays the inspection results to other departments. For example:
 - Grants - for each grant CHC receives there is a yearly inspection for the life of the grant in some instances we have 3-5 sources of funding for a home: DCA- HOME grant - State and County; DCA - Balanced Housing - State.
 - Fire - Local fire inspection - once per year.
 - BOSS - Board of Social Services - once per year.
 - Insurance - once each year.

Response 35:

The Division of Housing and Community Resources is currently looking at having a single

point of contact to handle matters associated with Divisional programs. Most of the programs that you have cited are beyond the Division and its jurisdiction.

Comment 36:

Paperwork Reduction - How can we reduce all the paperwork? For example, all buildings constructed after 1978 did not use lead-based paint. Can't the programs (landlords) provide documentation proving new construction (or date of construction), and eliminate the need to print and distribute a lead-based paint booklet (which no one reads anyway), and sign a form that the resident and landlord has to sign?

Response 36:

The Department of Community Affairs continually strives to reduce the burden of paperwork for the people and organizations we serve. However, there are currently, far too many children (and adults) suffering from blood-lead poisoning. It appears that more educational efforts need to take place, not less. All New Jersey residents need to become more aware of the harmfulness of lead, whether or not they live in a pre-1978 built building, and whether or not they read the lead-based paint booklets they receive.

Comment 37:

The objectives set forth to accomplish the goals of the Con Plan should be performance based. Expectations for funding should be spelled out and various mechanisms should be put in place to gauge compliance with those expectations. Future funding could be tied to performance. Indeed, incentives, in the form of ongoing or enhanced funding, could be given to those who consistently meet or exceed the project's objectives.

Response 37:

To the extent possible, the objectives in the Consolidated Plan are performance based and the various housing and community development programs measure the results of all loan and grant recipients and consider past performance when evaluating project applications.

Comment 38:

New Jersey should require Public Housing Agencies seeking to designate "elderly only" housing to set aside at least 25 percent of existing Section 8 rent subsidy "turnover", i.e. vacancies or next available units, for persons with disabilities.

Response 38:

DCA does not have authority over public housing agencies. Public housing agencies and Section 8 programs, including the Section 8 program administered by DCA, must comply with federal regulations and the U.S. Department of Housing and Urban Development.

Comment 39:

The State should encourage municipalities to plan regionally through funding incentives and prioritization grant/loan applications in the Small Cities CDBG program, Neighborhood Preservation, Balanced Housing, and other programs. Sharing services

and/or facilities throughout a region would potentially provide cost savings to the municipalities participating in the regional plan.

Response 39:

The Department concurs with this comment. The Regional Efficiency Development Incentive (REDI) grant program managed by the Division of Local Government Services is designed for municipalities wishing to explore shared services and consolidation possibilities. Ten million dollars has been appropriated for this program.

The Small Cities Program has established funding categories that give higher priority and larger grant amounts to proposals involving more than one municipality in the delivery of housing rehabilitation assistance. Bonus points are awarded to proposals that clearly advance an implementation agenda approved by the State Planning Commission or comparable document approved by the Pinelands Commission. In addition, all applications for Small Cities assistance must include a Statement of Community Development and Housing Needs. Within such a statement the applicant must relate the proposal to applicable local, county and regional plans and to the State Development and Redevelopment Plan.

The Smart Growth Planning Grant Program requires as much as a 50% match when only one municipality applies. Little or no match is required where more than one municipality is included within the scope of the proposal. The Department is exploring other ways to do even more in these areas.

Comment 40:

The Con Plan should mention the need for more adequate public transportation, especially for residents in Southern New Jersey. Low income people, could obtain higher wage suburban jobs, and be better able to afford housing if they had adequate transportation available to them.

Response 40:

A statement reflecting this comment has been added to Goal #6's strategy.

Comment 41:

The State should attempt to annually track the total number of affordable housing units available, as well as the number of affordable units being created and lost. Concern was specifically expressed regarding the numbers of affordable units being lost (project-based Section 8 units being demolished, and units where the affordability controls are phasing out).

Response 41:

DCA currently tracks the number of affordable housing units created through its Guide to Affordable Housing, but does not have a mechanism in place to track the number of units lost. DCA will look into setting up a mechanism to track the number of units lost over the

next year.

Comment 42:

Resources for affordable housing are scarce. According to DCA staff, for every three applicants to the Balanced Housing Program, there are only enough resources to fund one affordable housing project. Given this dearth of resources, the Network believes that scarce public dollars should be dedicated to affordable units, rather than subsidizing market rate units through mixed income programs. It is imperative that the major state program funding affordable housing, the Balanced Housing Program, continue to support 100% affordable projects. In addition, more resources are needed to address the state's tremendous need for affordable housing. The Out of Reach report, released last fall by the National Low Income Housing Coalition, revealed that 45% of New Jersey residents are unable to afford the cost of the average two-bedroom apartment. The same study showed that New Jersey has one of the highest housing costs in the nation. Clearly more subsidy dollars for affordable housing are needed to help New Jersey's working families make ends meet.

Response 42:

DCA acknowledges that there are limited resources to address the affordable housing need in the State and therefore is always looking for ways to leverage State and federal money with private sector funds. In regards to your comment about the State's Balanced Housing program, the program is restricted to providing gap financing to only affordable housing projects.

Comment 43:

Individuals and families earning under 30% of the median income are not being reached through existing affordable housing programs. More needs to be done to reach the lowest income New Jersey residents who are in greatest need of affordable housing. Welfare reform makes this need particularly pressing, as hundreds of individuals move from public assistance into employment situations. A recent study conducted by the New Jersey Department of Human Services found that 50% of post-TANF recipients had severe housing problems which threatened their ability to remain self-sufficient. The Department of Community Affairs has noted that over 10,000 households on the Division of Housing's waiting list have incomes less than 30% of median and are denied affordable housing because their incomes are too low. A state rental assistance program would be an important first step to help address New Jersey's most needy families. Such a program would help very low-income households, including those making the transition from welfare to entry level jobs become self-sufficient by having rental costs fixed at a maximum of 30% of their income. We recommend that the program be statewide, free from time limits, and parallel the federal Section 8 program.

Response 43:

The Governor's proposed budget includes the establishment of two rental assistance programs, \$2.5 million state funded rental assistance program for low income working

households and a \$3 million Supportive Housing Initiative program for persons with mental illness. As mentioned earlier, the decision to fund programs such as these is primarily up to the New Jersey State Legislature.

Comment 44:

Affordable housing is a basic human right. While the Network agrees it is laudable when households are able to increase their earnings and move into unsubsidized housing situations, we must recognize that permanent affordable housing is a critical need and serves those households -- including working families earning low wages, the disabled, and the elderly -- who are likely to have low income over a sustained period of time. Long-term affordable housing is a worthwhile public investment that enables such families to achieve stability and ongoing self-sufficiency.

Response 44:

DCA agrees that long-term affordability is very important. The Strategy section of the Consolidated Plan has the following statement: "Long-term affordability controls must be maintained on housing units developed with public funds to maximize the benefit of the public investment and ensure affordability for current and future low income households."

Comment 45:

The State should increase support for neighborhood planning and revitalization. While the Urban Coordinating Council is a good first step, more resources are needed that will support revitalization and, in particular participatory neighborhood planning at the local level. The Network has developed a proposal for a Neighborhood Revitalization Tax Credit that would spur private sector reinvestment in urban neighborhoods. This is an example of the type of program that should be promoted to encourage not only the development of affordable housing, but the revitalization of entire neighborhoods.

Response 45:

Goal #4 in the Consolidated Plan states: "Support the revitalization of neighborhoods through participatory neighborhood planning efforts."

Comment 46:

More should be done to increase the effectiveness of the New Jersey Fair Housing Act. The Fair Housing Act is a critical tool which enables the creation of affordable housing opportunities for residents throughout New Jersey. Unfortunately, current policies, such as Regional Contribution Agreements (RCAs), don't do enough to ensure the creation of affordable housing. The Network recommends that the RCA minimum be increased from \$20,000 to \$35,000 per unit as a first step, and that municipalities be given incentives to comply with their affordable housing obligation.

Response 46:

Regional Contribution Agreements (RCAs) are under the domain of the Council of

Affordable Housing. We have forwarded your comment to them.

Comment 47:

More education is needed to dispel negative myths and stereotypes about affordable housing. The Network encourages the State to take a pro-active role in educating the public about the benefits of and need for affordable housing in New Jersey. The Network would be happy to partner with the State to develop a public education campaign about affordable housing and the positive difference it can make in families' lives.

Response 47:

DCA agrees that more education is needed to address the NIMBY syndrome. Goal #10 includes "... educate the public about the benefits of and the need for affordable housing."